IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

FIRST APPELLATE DISTRICT

DIVISION FOUR

CHURCH OF SCIENTOLOGY, INTERNATIONAL,)
Plaintiff/Respondent,)
)
vs.)
)
GERALD ARMSTRONG,) **NO. A075027**
Defendant/Appellant.)
)

CLERK'S TRANSCRIPT ON APPEAL

FROM A JUDGMENT MADE AND ENTERED

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

MARIN COUNTY COURTS

VOLUME 20

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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

MARIN COUNTY COURTS

DEPARTMENT 1

CHURCH OF SCIENTOLOGY, INTERNATIONAL, Plaintiff, vs. GERALD ARMSTRONG, Defendant.	No. 157680

GARY W. THOMAS	JUDGE
JOHN P. MONTGOMERY	COURT EXECUTIVE OFFICER
ELAINE PASSARIS	REPORTER

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5365

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation;

Plaintiffs,

vs.

GERALD ARMSTRONG; DOES 1 through 25, inclusive,

Defendants.

No. BC 052395

AMENDED ANSWER OF GERALD ARMSTRONG AND THE GERALD ARMSTRONG CORPORATION TO AMENDED COMPLAINT

Defendant Gerald Armstrong, hereinafter "Armstrong," and The Gerald Armstrong Corporation, hereinafter "TGAC," defendants, hereby jointly submit the following amended answer to the amended complaint of plaintiff, CHURCH OF SCIENTOLOGY INTERNATIONAL, hereinafter "CSI." Although the following Answer may be framed in the singular, it shall be interpreted to refer to both answering defendants unless the referred to event took place before July

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1987, in which event said allegation shall apply to Gerald Armstrong as an individual only because prior to said date TGAC did not exist.

1. Armstrong admits there was a settlement agreement entered into in December, 1986, but denies each and every allegation of the rest of this paragraph. Armstrong's only actions have been those necessitated by the violations by the Scientology organization, including CSI, hereinafter the "ORG," of the express terms and spirit of the settlement agreement. It is the ORG which has embarked on a deliberate campaign to breach the provisions of the agreement, and foment litigation, hatred and ill-will against ARMSTRONG.

2. Armstrong admits that he entered into a settlement agreement with the ORG in December 1986 of his cross-complaint in Church of Scientology of California v. Gerald Armstrong, Los Angeles Superior Court No. C 420 153 hereinafter Armstrong I. Armstrong denies that the agreement was for the benefit of numerous third-parties; he asserts that the agreement is to constitute a fraud on courts, nationally and internationally, and upon the public of the World. Armstrong denies that the description of the ORG as a church is true. Armstrong denies CSI's description of him. It is the ORG which sought by litigation and covert means to disrupt Armstrong's activities and life, and which displayed through the years an intense and abiding hatred for Armstrong, and an eagerness to annoy and harass Armstrong by spreading enmity and hatred about him among its employees, customers, victims, in the media, the courts and the world. Armstrong denies that the ORG sought to end Armstrong's covert

activities, because there were no such covert activities, nor to end the litigation. Armstrong denies that the agreement contained carefully negotiated and agreed-upon provisions. Armstrong was not included in one word of the negotiations, which were engineered by the ORG through the compromise of Armstrong's attorney. Armstrong never agreed to the conditions, but did agree with the representations of his attorney that the conditions were unenforceable. Armstrong denies that the ORG bargained for the settlement provisions to put an end to enmity and strife generated by Armstrong because Armstrong generated no such enmity and strife.

3. Armstrong denies that this action arises from his deliberate and repeated breaches of provisions of the agreement. Armstrong denies moreover that he can violate the agreement because its provisions are contrary to public policy and illegal. Armstrong denies that the ORG fully performed its obligations under the agreement; rather, it violated both the letter and spirit from the date of its signing. Armstrong denies that he never intended to keep his part of the bargain. Armstrong admits that, based on the representations of his lawyer that the referenced provisions were unenforceable and that the ORG lawyers also knew they were unenforceable, he also considered said provisions unenforceable. Armstrong denies that he ever extracted money from the ORG. Armstrong denies that in June 1991 he had finished spending his money. In August 1990 Armstrong had given away all his assets for reasons unrelated to the ORG, except that he evaluated that because the ORG committed so much harm with its billions of dollars there was no reason not to give his money

away, and that it was better to combat the ORG's tyranny without money than not to combat it with wheelbarrow loads of it. Armstrong denies that in June, 1991 he began any campaign, provided any confidential information to anyone, copies of any agreement, declarations, and paralegal assistance to any litigants. Armstrong denies that the ORG repeatedly demanded that Armstrong end his constant and repeated breach of the provisions of the agreement. There has never been a constant and repeated breach of the provisions of the agreement by Armstrong, nor has there ever been a repeated demand from the ORG.

4. Armstrong denies that the ORG bargained for peace. Armstrong admits that the ORG requests liquidated damages, but denies that the ORG is due such damages pursuant to the terms of the agreement, and states that said liquidated damages are invalid. By its acts in violation of the agreement the ORG has sacrificed its right to any relief, including damages. It is Armstrong who is due liquidated damages. Armstrong denies that the ORG requests injunctive relief to prevent additional and future breaches by Armstrong. There have been no breaches by Armstrong and there can be no future breaches by Armstrong because of the ORG's violations of the agreement and because the agreement itself is contrary to public policy and illegal.

5. Armstrong denies CSI's description of itself. Armstrong admits that CSI is incorporated under the laws of the State of California and has its principal offices in Los Angeles. Armstrong denies that Scientology is a religion. Scientology employs a self-ascribed religious status so as to exploit the extraordinary benefits conferred by the religious liberty clauses

of the First Amendment to the United States Constitution.

6. Armstrong admits that he is a resident of Marin County, California.

7. Armstrong lacks knowledge or information sufficient to form a belief as to the truth of the averments in this paragraph and is therefore unable to admit or deny the same.

8. Armstrong admits the truth of the averments in this paragraph.

9. Armstrong admits that the agreement was entered into with the participation of respective counsel, but denies that it was after full negotiation. Armstrong denies that the provisions of the agreement were carefully framed by the parties and their counsel to accurately reflect the agreement of the parties. Armstrong only participated in the framing of one provision in the agreement, the one allowing him to keep his art. Armstrong was, in fact, carefully kept in the dark concerning the settlement provisions by the ORG and his counsel. The provisions, moreover, do not contain the actual agreement of the parties concerning their unenforceability. Nor do they contain the agreement whereby the ORG contracted with Armstrong's lawyer to not represent him in future litigation regarding the agreement. And they do not contain the agreement whereby Armstrong's lawyer would assist the ORG in allowing it to attack Armstrong without his response, nor the side indemnity agreement and other agreements with Armstrong's lawyer for a collusive appeal and rigged retrial of the underlying action. The purpose of the agreement was to engineer a reversal of Judge Breckenridge's 1984 decision holding for Armstrong on Scientology's complaint against Armstrong in Armstrong I.

10. Armstrong denies the totality of this paragraph. There never was a series of covert activities by Armstrong intended to discredit ORG leaders, spark government raids, create phony "evidence" of wrongdoing against the ORG and ultimately destroy the ORG and its leadership.

11. Armstrong admits that when asked by ORG lawyer Lawrence Heller during the videotaped signing of the settlement agreement if he was acting of his own free will he said he was. Armstrong was, however, under great duress resulting from years of ORG abuse, threats and attacks, his manipulation by the ORG through his attorney as a deal-breaker during the settlement, and his knowledge of ORG policies of hatred and vindictiveness. Armstrong denies that in later 1991 he revealed for the first time that he believed at the time the agreement was signed the provisions were unenforceable. Armstrong put his opinion of the provisions' unenforceability in his declaration dated March 15, 1990, which the ORG received within a week of that date. Moreover, Armstrong's lawyer, Michael Flynn, advised Armstrong that he had advised the ORG in December 1986, before the agreement was signed that the provisions were unenforceable.

12. Armstrong does not answer these allegations of this paragraph inasmuch as they have been stricken by court order.

13. Armstrong admits the averments of this paragraph.

14. Armstrong admits the averments of this paragraph.

15. Armstrong admits the averments of this paragraph.

16. Armstrong denies each and every averment of this paragraph.

17. In answering the averments contained in this paragraph

wherein CSI adopts by reference paragraphs 1 through 16 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

18. Armstrong admits the averments of this paragraph, but denies that the Aznarans were Scientology parishioners; they were Scientology victims. Scientology is not a religion.

19. Armstrong admits the averments of this paragraph.

20. Armstrong admits that while Yanny was acting as the Aznarans' counsel he asked Armstrong to help him, but denies that Yanny hired him as paralegal to work on the Aznaran case.

21. Armstrong admits that he agreed to travel to Los Angeles from Marin Country but denies that he asked Yanny to pay him $500.00 for his proposed help.

22. Armstrong admits the averments of this paragraph except that he denies that he provided "paralegal assistance." Armstrong did assist in drafting two evidentiary declarations, which he personally executed as a witness.

23. Armstrong lacks knowledge or information sufficient to form a belief as to the truth of the averments in this paragraph and is therefore unable to admit or deny the same.

24. Armstrong denies each and every averment of this paragraph.

25. Armstrong denies each and every averment of this paragraph. Whatever assistance Armstrong gave Yanny in the Aznaran litigation caused the ORG no damage, but assisted it in its publicly stated goal of peace.

26. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16 and 18 through 25 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

27. Armstrong admits the averments of this paragraph except that he denies that Yanny indicated to CSI's counsel that he represented Armstrong, and Armstrong denies that there exists any order of injunction prohibiting Yanny from representing Armstrong in any manner whatsoever in any matters relating to anyone.

28. Armstrong lacks knowledge or information sufficient to form a belief as to the truth of the averments in this paragraph and is therefore unable to admit or deny the same.

29. Armstrong denies each and every averment of this paragraph. Armstrong adds, moreover, that if, as the ORG alleges, the Court in RTC v. Yanny rejected Yanny's defense which was supported by Armstrong's declarations, Armstrong could not with those declarations have aided Yanny.

30. Armstrong admits that he attached the settlement agreement to his July 16, 1991 declaration as an exhibit, but denies that he had agreed to keep the terms of the agreement confidential. Armstrong was under duress when signing the agreement and did not ever agree with the unenforceable conditions of the agreement including confidentiality regarding the agreement itself. Nevertheless, he did not discuss the agreement until after it was made public by the California Court of Appeal. Armstrong filed the agreement under seal in the Court of Appeal in

February, 1990 in order to prevent a fraud upon the Court being perpetrated by the ORG, and it was the Court of Appeal which sua sponte unsealed the agreement. But prior to filing the agreement in the Court of Appeal, Armstrong had already been relieved of any conceivable obligation to keep the agreement confidential by the ORG's divulging of its contents in other litigations, and therefore waiving any right to have it remain confidential thereafter.

31. Armstrong admits that he has never paid the ORG $50,000, but denies that the ORG has ever demanded payment of $50,000, denies that he owes $50,000 to the ORG for anything and denies that whatever he has done at any time was a breach of the agreement. The agreement is illegal and against public policy and the ORG has by its own acts sacrificed any right it ever may have had to enforce any of its provisions.

32. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25 and 27 through 31 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

33. Armstrong admits the averments of this paragraph.

34. Armstrong admits that in August 1991 he began working in Ford Greene's office and that his paralegal duties at that time involved work on the Aznaran case. Armstrong denies that thereafter the Aznarans hired John Elstead. Armstrong admits that his employment in Greene's office has continued to the present, but he denies that his activities constitute a daily and

continuing breach of any contract. The ORG's bargain has been rendered a nullity, because it is the ORG which has, through its attacks on Armstrong, its overweening reliance on Fair Game and similar antisocial policies, and its attempt to force upon the world an agreement illegal in the first place, done it to itself.

35. Armstrong denies each and every averment of this paragraph.

36. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31 and 33 through 35 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

37. Armstrong admits the averments of this paragraph except that he denies that any of his actions are violations of the agreement and that he is required to pay the ORG one penny in liquidated damages.

38. Armstrong admits that he has not paid the ORG $50,000, but denies that the ORG ever made a demand for $50,000 and denies that whatever he has done is a breach of the agreement.

39. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35 and 37 and 38 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

40. Armstrong admits the averments of this paragraph except

that he denies that the press release violated the agreement and that the press release constituted disclosures of his experiences with Scientology. Statements containing the same facts and similar language are contained in the public file in this case in which the ORG has sued Armstrong; therefore there is in the press release no disclosure. Moreover, the ORG, by itself using Armstrong's experiences in its litigations and to attack Armstrong after the settlement lost any right it may have once had to complain of Armstrong's discussing his experiences to counter its attacks. The agreement's confidentiality provisions are antithetical to civilized conduct, impossible to perform, contrary to public policy and illegal.

41. Armstrong admits the averments of this paragraph except that he denies that the distribution of the press release violated the provisions of the agreement. By suing Armstrong publicly, by attacking him publicly and by making public itself the conditions of the agreement, including filing the agreement in open court, the ORG waived any right it may have once had to object to Armstrong's public discussion of the litigation or the agreement it concerned. The agreement, moreover, is illegal; therefore it is unenforceable and Armstrong is not bound by any part of it.

42. Armstrong denies each and every averment of this paragraph.

43. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38 and 40 through 42 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred

with respect to those specific paragraphs as previously set forth in this answer.

44. Armstrong admits that on March 20, 1992 he and Greene granted the media interviews, but denies that such interviews were additional. Armstrong denies that any such interviews violated any part of the agreement. Armstrong admits that he stated that he is an expert in the misrepresentations Hubbard made about himself from the beginning of Dianetics until the day he died. Armstrong admits that he is such an expert. Armstrong lacks the information and knowledge sufficient to form a belief as to the truth of the averment in this paragraph that Exhibit C to the ORG's complaint is a true and correct transcription of the CNN broadcast and is therefore unable to admit or deny the same.

45. Armstrong denies each and every averment of this paragraph.

46. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42 and 44 and 45 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

47. Armstrong admits that he agreed to appear voluntarily as an expert witness in the Hunziker case. He denies that his expertise is alleged and denies that his expertise is such that it should be set off in the ORG's complaint in quotation marks. He denies that his expertise is in Scientology, but rather in the fraud of Scientology and the ORG's doctrine of Fair Game.

Armstrong admits that the World Institute of Scientology Enterprises, Inc. is named as a defendant in the Hunziker case, admits that it is an ORG dominated entity, but denies that it, nor any other ORG entity, is protected by the agreement.

48. Armstrong admits that he met with Rummonds and Elstead, attorneys for plaintiffs in the Hunziker case, but denies that he discussed his experiences with any entities protected by the agreement. Armstrong denies that any entities are protected by the agreement because it is unenforceable on its face and, moreover, has been rendered void by the ORG's post-settlement attacks on Armstrong and its illegal efforts at enforcement. Armstrong admits that he agreed to appear for plaintiffs as an expert on the aspects of Scientology practices and beliefs of fraud and Fair Game.

49. Armstrong admits the averments of this paragraph except that he denies that he testified at length concerning CSI or any other ORG affiliated entities and individuals protected by the agreement, because no entities or individuals are protected by the agreement due to the ORG's acts to contravene it.

50. Armstrong admits that he produced documents during his March 3, 1992 deposition but denies that there are any documents referred to in paragraph 46 of the ORG's complaint. Armstrong denies moreover that any documents he produced at the deposition were in violation of any agreement.

51. Armstrong admits that he appeared for a deposition on or about March 12, 1992 in the Hunziker case. He denies that he claimed he had been given a subpoena not by the deposing attorney. Armstrong admits that he said he had been given a deposition

subpoena by attorney Elstead and that Elstead had filled out the subpoena that morning. Armstrong admits that he refused to produce the subpoena, but lacks the information or knowledge to admit or deny the averment that it was not served on any of the parties to the case. Armstrong admits that he delivered documents to Elstead on or about March 8, 1992 and requested that he be served with a subpoena, but denies that his delivery of documents was in violation of the agreement.

52. Armstrong lacks the information or knowledge sufficient to form a belief as to what the ORG learned in April 1992 so as to that averment he cannot either admit or deny this allegation. Armstrong does deny that he reacquired any documents which he had previously returned to the ORG. And he denies that he produced any such documents either to Elstead or to opposing counsel at any time.

53. Armstrong denies each and every averment of this paragraph.

54. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45 and 47 through 52 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

55. Armstrong denies each and every averment of this paragraph except that he did testify on or about April 7, 1992 in the Yanny case. The ORG compelled Armstrong to testify on that date in that case. The ORG filed the agreement publicly months

before this deposition, and the ORG had forced Armstrong to file the agreement in the Court of Appeal, which sua sponte, unsealed it, because of the ORG's efforts to make him a party to its subversion of the justice system. The ORG, moreover, divulged the contents of the agreement at least as early as 1989, thus giving up any right it may have had to keep it confidential.

56. Armstrong denies each and every averment of this paragraph.

57. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52 and 55 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

58. Armstrong denies each and every averment of this paragraph.

59. Armstrong admits that he gave a declaration in the Aznaran litigation on August 26, 1991, but denies that his action was a violation of any provision of the agreement.

60. Armstrong admits that his declaration attached as exhibits the two documents referred to in paragraph 58 of the ORG's complaint, but denies that said attachment was in breach of any provisions of the agreement.

61. Armstrong denies each and every averment of this paragraph.

62. Armstrong denies each and every averment of this paragraph.

63. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55 and 58 through 60 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

64. Armstrong lacks the information or knowledge sufficient to form a belief as to what the ORG learned in March 1992 so as to that averment he cannot either admit or deny.

65. Armstrong denies each and every averment of this paragraph.

66. Armstrong denies each and every averment of this paragraph. He denies moreover that his giving voluntary assistance to anyone not only does not harm the ORG but assists the ORG, and that such voluntary assistance to anyone cannot be proscribed by any agreement, and that any agreement which attempts to proscribe voluntary assistance is against public policy, violative of the Constitutional right to freedom of speech, association, press and religion, and is unenforceable.

67. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60 and 64 and 65 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

68. Armstrong admits the averments of this paragraph, but denies that ORG entities CSI, CSC and RTC are protected by the agreement, because they cannot be protected legally by an illegal contract and they have acted themselves to vitiate and waive whatever protection they might at one time have had, if any.

69. Armstrong admits that in his May 27, 1992 declaration he did authenticate another declaration he had executed earlier. Armstrong lacks the information or knowledge sufficient to form a belief as to whether the transcript had at one time been ordered sealed in the earlier action between him and the ORG, so as to that averment he cannot either admit or deny. The transcript, however, has been a public document since 1982, and the tape recordings from which the transcript had originated have been found by the 9th Circuit Court of Appeals to contain evidence of criminal fraud and were released to the Criminal Investigation Division of the IRS. Armstrong denies that any of his acts are violations of any paragraphs of the agreement and denies that he is required to pay one cent to CSI.

70. Armstrong denies each and every averment of this paragraph.

71. In answering the averments contained in this paragraph wherein CSI adopts by reference paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65 and 68 and 69 of its averments, Armstrong admits, denies and avers to the same effect and in the same manner as he admitted, denied and averred with respect to those specific paragraphs as previously set forth in this answer.

72. Armstrong denies each and every averment of this paragraph.

73. Armstrong denies each and every averment of this paragraph.

74. Armstrong denies each and every averment of this paragraph.

75. Armstrong denies each and every averment of this paragraph.

AFFIRMATIVE DEFENSES

Allegation Common To All Affirmative Defenses

76. Plaintiff is a single component of the Scientology Organization ("ORG") that, along with all of the Scientology-related beneficiaries of the settlement are subject to a unity of control exercised by David Miscavige. Plaintiff and all other Scientology-related organizations, entities and individuals were created by David Miscavige and his attorneys as an attempt to avoid payment of taxes and civil judgments and to confuse courts and those seeking redress for the civil and criminal misconduct of Miscavige and all other Scientology-related organizations, entities and individuals. Due to the unity of personnel, commingling of assets, and commonality of business objectives, any effort by plaintiff to separate itself as being independent and separate should be disregarded.

FIRST AFFIRMATIVE DEFENSE

(Failure To State A Cause Of Action)

77. Further answering said first amended complaint, and as a first, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein

each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69 and 72 through 75 herein and allege as follows:

The complaint and each cause of action contained herein fails to state a cause of action against these defendants upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

(This Court Cannot Enjoin The Practice Of A Profession)

78. Further answering said first amended complaint, and as a second, separate and affirmative defense thereto, these answering defendants allege as follows:

Any attempt by plaintiff to limit the ability to obtain gainful employment by these answering defendants, or any of them, is void and unenforceable as a matter of public policy, and constitutes an unenforceable restraint on the right of defendants, or any of them, to pursue their chosen profession.

THIRD AFFIRMATIVE DEFENSE

(Unclean Hands)

79. Further answering said first amended complaint, and as a third, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 77, 78, and 80 through 88 herein and allege as follows:

Plaintiff is barred from bringing this action against these defendants and/or obtaining the equitable relief requested herein under the doctrine of unclean hands.

FOURTH AFFIRMATIVE DEFENSE

(In Pari Delicto)

80. Further answering said first amended complaint, and as a fourth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 77 through 79, and 81 through 88, herein and allege as follows:

Notwithstanding the things alleged of defendants in the complaint, which are denied in the applicable paragraphs herein, plaintiffs' and its counsels' conduct in connection with the events giving rise to this action bars plaintiff from recovery with regard to the complaint under the doctrine of in pari delicto.

FIFTH AFFIRMATIVE DEFENSE

(Illegality)

81. Further answering said first amended complaint, and as a fifth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 77 through 80, and 82 through 88, herein and allege as follows:

Plaintiff is barred from bringing this action as a result of its acts of illegality in connection with matters that give rise to this case. Particularly plaintiff and other Scientology-related entities engaged in a wholesale attempt to obstruct justice, suppress evidence in order to deny redress, due process, and equal protection of the law to its civil and criminal victims by means of obtaining settlements of litigation in actions in various state and federal courts across the United States. In each of those actions attorney Michael J. Flynn was attorney of record, or coordinating counsel for litigants adverse to Scientology. In each of those actions litigants adverse to Scientology were coerced into signing secret settlement agreements the terms of which were substantially similar to those set forth in the settlement agreement at issue herein.

Plaintiff is further barred from bringing this action because as a material part of entering the settlement agreement with defendant, plaintiff required defendant's counsel, Michael Flynn, to sign secret side agreements for indemnification for resolution of the retrial of Armstrong I were plaintiff and other Scientology-related entities successful in obtaining reversal of Judge Breckenridge's decision on appeal. In such agreement Scientology promised to limit its collections of damages to $25,001.00 and to indemnify Flynn for the payment thereof and Flynn, in turn, would indemnify Armstrong for any such judgment. The existence of these secret, side agreements were never disclosed to Armstrong by Flynn, plaintiff, or other Scientology-related entities.

Plaintiff is further barred from bringing this action because as a material part of entering said settlement agreements, it or its agents required attorney Flynn to promise never to take any anti-Scientology cases in the future. Thereafter, although Flynn has refused to provide any declarations for defendant Armstrong, he has been willing to provide documentary assistance to Scientology.

Plaintiff is further barred from bringing this action as a result of its acts of illegality in connection with the commission of acts giving rise to the action entitled Aznaran v. Church of Scientology of California, Case No C88-1786 JMI (Ex) in the United States District Court for the Central District of California (the "Aznaran case"); conduct by plaintiff, its counsel and others, including but not limited to the making of certain settlement proposals to Barry Van Sickle, Esq., for direct communication to Vicki and Richard Aznaran ("the Aznarans") knowing that Van Sickle had been disqualified from representing the Aznarans, and knowing that the Aznarans at the time were represented by Ford Greene and participating in conduct which resulted in the Aznarans (in hopes of facilitating settlement and in accordance with plaintiff's conditions) dismissing their counsel, Ford Greene, whereupon while the Aznarans were in pro per, plaintiff withdrew any offer of settlement and commenced loading up the record with voluminous, sophisticated and dispositive motions, including but not limited to two for summary judgment. In consequence thereof defendant Armstrong only provided aid and assistance to counsel whom the Aznarans subsequently employed for the purpose of preserving their rights to redress, due process and equal protection of the law.

Furthermore, other acts of illegality by plaintiff and other

Scientology-related entities have been publicly documented. Plaintiffs have engaged in acts of impropriety, as set forth above, and including what the District Court in the Aznaran case referred to in a written order, entered after most of the events in issue herein, as "outrageous litigation tactics." Also, in addition to the Flynn settlement agreements the conduct of plaintiff and other Scientology-related organizations, entities and individuals against persons "adverse to Scientology" including citizens, counsel, judges and government authorities (including but not limited to illegal surveillance, obtaining telephone company records, breaking and entering, threatening conduct, and violence) have discouraged and intimidated knowledgeable persons from disclosing their knowledge about, or otherwise coming forward against, the illegal activities of plaintiff and other Scientology-related organizations, entities and individuals, and from assisting victims thereof to obtain redress, due process and equal protection of the law.

SIXTH AFFIRMATIVE DEFENSE

(Fraud and Deceit)

82. Further answering said first amended complaint, and as a sixth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, and 81 through 88, herein and allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, because of its fraud and deceit in representing to defendants, and each of them, that its management had changed and no longer would engage in illegal activities, that it wanted to buy peace, that it would leave defendants, and each of them alone, and that the false affidavit that it required Armstrong to sign as a condition of the settlement would be disclosed only if Armstrong attacked the ORG. Plaintiff made the foregoing representations to defendants, and each of them, with knowledge of the falsity thereof at the time said representations were made and with the intent to deceive defendants, and each of them, who actually and justifiably relied on those material misrepresentations to their injury by signing the settlement agreement. In fact, plaintiff and other Scientology-related organizations, entities and individuals never intended to cease their illegal and immoral activities, never intended to buy peace with defendants, and each of them, never intended to leave Armstrong alone, never intended not to use the false declaration only if Armstrong attacked the ORG, and never intended to abide by the terms of the settlement agreement. Rather plaintiff and other Scientology-related entities intended to use the settlement agreement as a tool for the implementation of the Fair Game Policy and Scientology's litigation tactics so as to engineer a reversal of Judge Breckenridge's decision in Armstrong I, to collusively resolve any re-trial of Armstrong I, to obtain possession of the so-called MCCS tapes which were evidence of Scientology employing attorneys for the purpose of committing future crimes and frauds, to use the false declaration in other litigation without regard to Armstrong's conduct, and to otherwise obstruct justice and suppress evidence of facts which discredited plaintiff and other

Scientology-related entities.

> Said Fair Game Policy states that any enemy of Scientology "[m]ay be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist. May be tricked, sued or lied to or destroyed."

Scientology's litigation strategy is as follows:

> "The law can be used very easily to harass, and enough harassment on somebody who is simply on the thin edge anyway, well knowing that he is not authorized, will generally be sufficient to cause his professional decease. If possible, of course, ruin him utterly."

From the outset, prior to the execution of the settlement agreement with defendant, and the execution of all other Flynn settlement agreements, it was the intent of plaintiff and other Scientology-related organizations, entities and individuals to continue to wage war on and harass Armstrong, to continue to engage in illegal activities and conduct, and to suppress evidence and obstruct justice by means of said agreements and to use said agreements as a tool of Fair Game and the litigation strategy of ruin in order to ensure that information regarding Scientology's crimes and civil misconduct would stay suppressed, and its criminal and civil victims would be denied legal redress and justice.

Moreover, Flynn advised Armstrong that he would always be available in the future to represent Armstrong if Armstrong had to litigate with the ORG in the future. Said statement was false and misleading because Flynn had signed an agreement with the ORG promising not to represent anti-ORG litigants in the future. Armstrong relied on the truth of Flynn's statement in signing the settlement agreement.

SEVENTH AFFIRMATIVE DEFENSE

(Estoppel)

83. Further answering said first amended complaint, and as a seventh, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81, 82 and 84 through 88, herein and allege as follows:

Plaintiff is equitably estopped from asserting each and all of the purported causes of action in the complaint by reason of its own acts, omissions, and conduct, or that of its agents, including, but not limited to the fact that it violated the settlement agreement in that it or its agents provided information from Armstrong I that was the subject of the settlement agreement to various persons and in various litigation including but not limited to The London Sunday Times, The Los Angeles Times, the instant litigation, the Corydon litigation, and in Church of Scientology of California v. Russell Miller and Penguin Books Limited in the High Court of Justice, Case No. 6140 in London, England, where a Scientology-related entity filed multiple affidavits attacking defendant Armstrong.

As yet a further basis for barring plaintiff on the ground of estoppel, defendant has requested plaintiff and other Scientology-related entities to release Flynn and his other former attorneys from the agreements they signed never to represent Armstrong again, and plaintiff and said entities have refused to do so.

EIGHTH AFFIRMATIVE DEFENSE

(Waiver)

84. Further answering said first amended complaint, and as an eighth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81, 82, and 83, herein and allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, by reason of their own acts, omissions and conduct, or that of its agents.

NINTH AFFIRMATIVE DEFENSE

(Mistake Of Law)

85. Further answering said first amended complaint, and as a ninth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81 through 84, and 86 through 88, herein and allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, because defendant Armstrong's former attorney, Michael Flynn, advised said defendant that the provisions of the settlement agreement that plaintiff is seeking to enforce herein were not in any way enforceable. Armstrong relied on such representations, but for which he would not have signed said settlement agreement.

TENTH AFFIRMATIVE DEFENSE

(Mistake Of Fact)

86. Further answering said first amended complaint, and as a tenth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81 through 85, 87, and 88, herein and allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, because defendant Armstrong's former attorney, Michael Flynn, advised said defendant that the provisions of the settlement agreement that plaintiff is seeking to enforce herein were not in any way enforceable. Armstrong relied on such representations, but for which he would not have signed said settlement agreement.

ELEVENTH AFFIRMATIVE DEFENSE

(Conflict of Interest)

87. Further answering said first amended complaint, and as a tenth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18

through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81 through 86, and 88, herein and allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, because defendant Armstrong's former attorney, Michael Flynn, in conjunction with settling Armstrong's case against Scientology-related entities, also settled 30 other cases, including cases of his own against Scientology-related defendants without procuring outside counsel for defendant.

TWELFTH AFFIRMATIVE DEFENSE

(Duress and Undue Influence)

88. Further answering said first amended complaint, and as a Twelfth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81 through 87, herein and allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, because plaintiff and other Scientology-related organizations, entities and individuals had implemented Fair Game Policy stratagems on defendant Armstrong's attorney, Michael J. Flynn and upon other anti-Scientology litigants and would continue such conduct against all such persons unless all said anti-Scientology litigants, including Flynn, signed settlement agreements substantially similar to that signed by defendant Armstrong.

Further, in early December 1986, attorney Flynn and other anti-Scientology litigants, postured Armstrong as a deal breaker, by stating that their desires to settle would be ruined unless defendant Armstrong agreed to settle and led him to believe if he did not sign the agreement, they would not cooperate in such event by acting as Armstrong's witnesses and zealous advocate on the trial of his cross-complaint against Scientology set to commence shortly thereafter in Armstrong I.

THIRTEENTH AFFIRMATIVE DEFENSE

(Laches)

89. Further answering said first amended complaint, and as a thirteenth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds of laches.

FOURTEENTH AFFIRMATIVE DEFENSE

(Impossibility)

90. Further answering said first amended complaint, and as a fourteenth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds of impossibility.

FIFTEENTH AFFIRMATIVE DEFENSE

(Frustration of Contractual Purpose)

91. Further answering said first amended complaint, and as a fifteenth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds of frustrating defendants', and each of their, ability to perform the terms of the settlement agreement.

SIXTEENTH AFFIRMATIVE DEFENSE

(Unfair and Unreasonable Contract)

92. Further answering said first amended complaint, and as a sixteenth separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement is unreasonable and unfair as to defendant Armstrong.

SEVENTEENTH AFFIRMATIVE DEFENSE

(Lack of Mutuality)

93. Further answering said first amended complaint, and as a seventeenth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement, as interpreted by plaintiff, lacks in reciprocity and mutuality.

EIGHTEENTH AFFIRMATIVE DEFENSE

(Ambiguity)

94. Further answering said first amended complaint, and as a eighteenth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement in ambiguous and incapable of enforcement.

NINETEENTH AFFIRMATIVE DEFENSE

(Lack of Adequate Consideration)

95. Further answering said first amended complaint, and as a nineteenth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement is not supported by adequate consideration.

TWENTIETH AFFIRMATIVE DEFENSE

(Unconscionability)

96. Further answering said first amended complaint, and as a twentieth separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement is unconscionable.

TWENTY-FIRST AFFIRMATIVE DEFENSE

(Adhesion)

97. Further answering said first amended complaint, and as a twenty-first, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement is a contract of adhesion.

TWENTY-SECOND AFFIRMATIVE DEFENSE

(Hardship)

98. Further answering said first amended complaint, and as a twenty-second, separate and affirmative defense thereto, these

answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement would work an unfair hardship on defendants, and each of them.

TWENTY-THIRD AFFIRMATIVE DEFENSE

(Offset)

99. Further answering said first amended complaint, and as a twenty-third, separate and affirmative defense thereto, these answering defendants allege as follows:

Any damages that plaintiff has suffered in consequence of the alleged conduct is exceeded by the damages suffered by defendants, and each of them, in consequence of the misconduct of plaintiff, and plaintiff's agents' acts of Fair Game and therefore plaintiff should take nothing.

TWENTY-FOURTH AFFIRMATIVE DEFENSE

(Liquidated Damages Act As Penalty)

100. Further answering said first amended complaint, and as a twenty-fourth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement's provision of liquidated damages is not an approximation of damage, but is intended to act and does act as a penalty.

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TWENTY-FIFTH AFFIRMATIVE DEFENSE

(First Amendment - Religion)

101. Further answering said first amended complaint, and as a twenty-fifth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement violates defendants', and each of them, right to freedom of religion guaranteed by the state and federal constitutions.

TWENTY-SIXTH AFFIRMATIVE DEFENSE

(First Amendment - Speech)

102. Further answering said first amended complaint, and as a twenty-sixth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement violates defendants', and each of them, right to freedom of speech guaranteed by the state and federal constitutions.

TWENTY-SEVENTH AFFIRMATIVE DEFENSE

(First Amendment - Press)

103. Further answering said first amended complaint, and as a twenty-seventh, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement violates defendants', and each of them, right to freedom of press guaranteed by the state and federal constitutions.

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TWENTY-EIGHTH AFFIRMATIVE DEFENSE

(First Amendment - Association)

104. Further answering said first amended complaint, and as a twenty-eighth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the settlement agreement violates defendants', and each of them, right to freedom of association guaranteed by the state and federal constitutions.

TWENTY-NINTH AFFIRMATIVE DEFENSE

(Privacy)

105. Further answering said first amended complaint, and as a twenty-ninth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants', and each of them, on the grounds that the settlement agreement violates defendants, and each of them, right of privacy guaranteed by the state and federal constitutions.

THIRTIETH AFFIRMATIVE DEFENSE

(Implied Covenant of Good Faith and Fair Dealing)

106. Further answering said first amended complaint, and as a thirtieth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from bringing this action against these defendants, and each of them, on the grounds that the conduct of plaintiff and its agents violates the implied covenant of good faith and fair dealing.

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THIRTY-FIRST AFFIRMATIVE DEFENSE

(Justification - Defense of Another, Interests of Third Persons, and the Public)

107. Further answering said first amended complaint, and as a thirty-first, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81 through 88, herein and allege as follows:

At all relevant times, the acts of these answering defendants were privileged and justified because they were done in the defense of others, the interests of third parties, the interests of justice, and the interests of the public.

THIRTY-SECOND AFFIRMATIVE DEFENSE

(Res Judicata)

108. Further answering said first amended complaint, and as a thirty-second, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff's complaint, and plaintiff's claims for equitable relief and for damages, are barred by the doctrine of res judicata.

THIRTY-THIRD AFFIRMATIVE DEFENSE

(Collateral Estoppel)

109. Further answering said first amended complaint, and as a thirty-second, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff's complaint, and plaintiff's claims for equitable relief and for damages, are barred by the doctrine of collateral estoppel.

THIRTY-FOURTH AFFIRMATIVE DEFENSE

(Failure to Mitigate Damages)

110. Further answering said first amended complaint, and as a thirty-fourth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff, and/or its agent, and/or its counsel, failed to take proper and reasonable steps to avoid or mitigate the damages alleged in the amended complaint, and to the extent of such failure to mitigate or to avoid, damages allegedly incurred by plaintiff, if any, should be reduced accordingly.

THIRTY-FIFTH AFFIRMATIVE DEFENSE

(Action Barred By Equity and Civil Code Provisions)

111. Further answering said first amended complaint, and as a thirty-fifth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81 through 88, herein and allege as follows:

Plaintiff is barred from judicial relief by the general principles of equity and the specific provisions of Part IV of the Civil Code, including but not limited to §§ 3512, 3517, 3519, 3524, (without any admission of wrongdoing by defendants) and 3533.

THIRTY-SIXTH AFFIRMATIVE DEFENSE

(Void As Against Public Policy)

112. Further answering said first amended complaint, and as a thirty-sixth, separate and affirmative defense thereto, these answering defendants repeat, reallege and incorporate by reference herein each and every allegation contained in paragraphs 1 through 16, 18 through 25, 27 through 31, 33 through 35, 37, 38, 40 through 42, 44, 45, 47 through 52, 54, 55, 58 through 60, 64, 65, 68, 69, 72 through 75, 81 through 88, herein and allege as follows:

Plaintiff is barred from judicial relief because the settlement agreement is void as against public policy.

THIRTY-SEVENTH AFFIRMATIVE DEFENSE

(The Settlement Agreement Cannot Be Specifically Enforced)

113. Further answering said first amended complaint, and as a thirty-seventh, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from judicial relief because the settlement agreement cannot be specifically enforced.

THIRTY-EIGHTH AFFIRMATIVE DEFENSE

(The Settlement Agreement Cannot Be Specifically Performed)

114. Further answering said first amended complaint, and as a thirty-eighth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from judicial relief because the settlement agreement cannot be specifically performed.

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THIRTY-NINTH AFFIRMATIVE DEFENSE

(Due Process)

115. Further answering said first amended complaint, and as a thirty-ninth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from judicial relief because the settlement agreement deprives defendants, and each of them, other third parties and the public of due process of law as protected by the state constitution and by the Fifth and Fourteenth Amendments to the federal constitution.

FORTIETH AFFIRMATIVE DEFENSE

(Equal Protection)

116. Further answering said first amended complaint, and as a thirty-ninth, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from judicial relief because the settlement agreement deprives defendants, and each of them, other third parties and the public of equal protection of law as guaranteed by the state constitution and by the federal constitution.

FORTY-FIRST AFFIRMATIVE DEFENSE

(Right to Counsel)

117. Further answering said first amended complaint, and as a forty-first, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from judicial relief because the settlement agreement deprives defendants, and each of them, other third parties and the public of their right to counsel as protected by the state constitution and by the Sixth Amendment to the federal constitution.

FORTY-SECOND AFFIRMATIVE DEFENSE

(Public Domain)

118. Further answering said first amended complaint, and as a forty-second, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from judicial relief because the information that defendants, and each of them, are accused of disclosing is in the public domain.

FORTY-THIRD AFFIRMATIVE DEFENSE

(Privilege)

119. Further answering said first amended complaint, and as a forty-third, separate and affirmative defense thereto, these answering defendants allege as follows:

Plaintiff is barred from judicial relief because the acts that defendants, and each of them, are accused of having committed are privileged.

DEMAND FOR JURY TRIAL

Defendants, and each of them, hereby demand this case be tried by a jury.

WHEREFORE, Defendant Armstrong prays for relief as follows:

1. That CSI takes nothing by its complaint;
2. That Armstrong recover his costs of suit herein;
3. That Armstrong recover his attorney's fees and costs of defending the suit herein;
4. That the Court award such further relief as it may deem proper.

Respectfully submitted,

DATED: October 7, 1992

HUB LAW OFFICES

By:
FORD GREENE
Attorney for Defendant

VERIFICATION

I, the undersigned, am one of the defendants in the above entitled action. I know the contents of the foregoing Amended Answer to Amended Complaint I certify that the same is true of my own knowledge, except as to the matters which are therein stated upon my information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct according to the laws of the State of California and that this declaration was executed on October 7, 1992 at San Anselmo, California.

By: ________________________
GERALD ARMSTRONG

VERIFICATION

I, the undersigned, am an officer of defendant The Gerald Armstrong Corporation in the above entitled action. I know the contents of the foregoing Amended Answer to Amended Complaint I certify that the same is true of my own knowledge, except as to the matters which are therein stated upon my information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct according to the laws of the State of California and that this declaration was executed on the October 7, 1992 at San Anselmo, California.

By:____________________
GERALD ARMSTRONG

PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following documents: AMENDED ANSWER OF GERALD ARMSTRONG AND THE GERALD ARMSTRONG CORPORATION TO AMENDED COMPLAINT

on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California:

Andrew Wilson, Esquire
WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

LAURIE J. BARTILSON, ESQ.
Bowles & Moxon
6255 Sunset Boulevard
Suite 2000
Los Angeles, California 90028

Graham E. Berry, Esquire
LEWIS, D'AMATO, BRISBOIS & BISGAARD
221 North Figueroa Street. Suite 1200
Los Angeles, California 90012

PAUL MORANTZ, ESQ.
P.O. Box 511
Pacific Palisades, CA 90272

[x] (By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.

[x] (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: October 7, 1992

SUPERIOR COURT, MARIN COUNTY, CALIFORNIA   PAGE: 4-A
LAW & MOTION, CIVIL CALENDAR
RULINGS

TIME: 9:00   DATE: 1/27/95   DEPT: 1
JUDGE: GARY W. THOMAS   REPORTER: E. PASSARIS   CLERK: J. BENASSINI
CASE NO: 157680   TITLE OF ACTION: CHURCH OF SCIENTOLOGY V. GERALD ARMSTRONG

THE MOTION OF PLAINTIFF FOR SUMMARY ADJUDICATION OF ISSUES IS GRANTED AS TO THE FOURTH AND SIXTH CAUSES OF ACTION AND DENIED AS TO THE ELEVENTH CAUSE OF ACTION.

AS TO ALL CAUSES OF ACTION, DEFENDANT FAILS TO RAISE A TRIABLE ISSUE AS TO WHETHER THE LIQUIDATED DAMAGES PROVISION IS INVALID. DEFENDANT RELIES ON THE LAW AS IT EXISTED PRIOR TO JULY 1, 1978. (SEE *UNITED SAV. & LOAN ASSN. V. REEDER DEV. CORP.* (1976) 57 CAL.APP.3D 282 AND EARLIER VERSIONS OF CIV. CODE, §§ 1670 AND 1671.) THE LAW NOW PRESUMES THAT LIQUIDATED DAMAGES PROVISIONS ARE "VALID UNLESS THE PARTY SEEKING TO INVALIDATE THE PROVISION ESTABLISHES THAT THE PROVISION WAS UNREASONABLE UNDER THE CIRCUMSTANCES EXISTING AT THE TIME THE CONTRACT WAS MADE." (CIV. CODE, § 1671, SUBD. (b).) DEFENDANT'S EVIDENCE IS NOT SUFFICIENT TO RAISE A TRIABLE ISSUE IN THAT REGARD. ALTHOUGH DEFENDANT STATES IN HIS DECLARATION THAT HE WAS NOT INVOLVED IN NEGOTIATING THE PROVISION (SEE D'S EX. 1, ¶12), HE GOES ON TO STATE THAT HE DISCUSSED THE PROVISION WITH TWO ATTORNEYS BEFORE SIGNING THE AGREEMENT. (*ID.*, ¶¶12-13.) THUS, HE CLEARLY KNEW OF THE PROVISION YET CHOSE TO SIGN IT. HE HAS NOT SHOWN THAT HE HAD UNEQUAL BARGAINING POWER OR THAT HE MADE ANY EFFORTS TO BARGAIN OR NEGOTIATE WITH RESPECT TO THE PROVISION. (SEE *H. S. PERLIN CO.* V. *MORSE SIGNAL DEVICES* (1989) 209 CAL.APP.3D 1289.) DEFENDANT NEXT STATES THAT PLAINTIFF'S ACTUAL DAMAGES ARE ZERO. (D'S EX. 1, ¶12.) HOWEVER, "THE AMOUNT OF DAMAGES ACTUALLY SUFFERED HAS NO BEARING ON THE VALIDITY OF THE LIQUIDATED DAMAGES PROVISION..." (SEE LAW REVISION COMMISSION COMMENT TO § 1671.) FINALLY, DEFENDANT POINTS TO THE FACT THAT OTHER SETTLEMENT AGREEMENTS CONTAIN A $10,000 LIQUIDATED DAMAGES PROVISION. (SEE D'S EXS. 2C AND 2D.) THIS ALONE IS NOT SUFFICIENT TO RAISE A TRIABLE ISSUE IN THAT DEFENDANT HAS NOT SHOWN THAT CIRCUMSTANCES DID NOT CHANGE BETWEEN 12/86 AND 4/87 AND THAT THOSE SETTLING PARTIES STAND IN THE SAME OR SIMILAR POSITION TO DEFENDANT (I.E., THAT THEY WERE AS HIGH UP IN THE ORGANIZATION AND COULD CAUSE AS MUCH DAMAGE BY SPEAKING OUT AGAINST PLAINTIFF OR THAT THEY HAVE/HAD ACCESS TO AS MUCH INFORMATION AS DEFENDANT).

SUPERIOR COURT, MARIN CO Y, CALIFORNIA PAGE: 4-A
LAW & MOTION, CIVIL CALENDAR
RULINGS

TIME: 9:00 DATE: 1/27/95 DEPT: 1
JUDGE: GARY W. THOMAS REPORTER: E. PASSARIS CLERK: J. BENASSINI
CASE NO: 157680 TITLE OF ACTION: CHURCH OF SCIENTOLOGY V. GERALD ARMSTRONG

DEFENDANT ALSO HAS NOT RAISED A TRIABLE ISSUE REGARDING DURESS. DEFENDANT'S OWN DECLARATION SHOWS HE DID NOT EXECUTE THE AGREEMENT UNDER DURESS IN THAT IT SHOWS THAT HE CAREFULLY WEIGHED HIS OPTIONS. (SEE D'S EX. 1, ¶10.) IT CERTAINLY DOES NOT SHOW THAT HE DID SOMETHING AGAINST HIS WILL OR HAD "NO REASONABLE ALTERNATIVE TO SUCCUMBING." (SEE *IN RE MARRIAGE OF BALTINS* (1989) 212 CAL.APP.3D 66, 84.) IN ADDITION, DEFENDANT IS RELYING ON THE CONDUCT OF A THIRD PARTY (FLYNN) TO ESTABLISH DURESS, YET HE SETS FORTH NO FACT OR EVIDENCE IN HIS SEPARATE STATEMENT SHOWING THAT PLAINTIFF HAD REASON TO KNOW OF THE DURESS. (SEE *LEEPER* V. *BELTRAMI* (1959) 53 CAL.2D 195, 206.)

AS TO THE FOURTH CAUSE OF ACTION, CONTRARY TO DEFENDANT'S ARGUMENT, THE SUBJECT DECLARATION DOES MORE THAN MERELY AUTHENTICATE DOCUMENTS. (SEE P'S EX. 1(A)(11), ¶¶1-3.) THE COURT FINDS THAT THE DECLARATION CONSTITUTES A DISCLOSURE OF DEFENDANT'S "EXPERIENCES WITH" PLAINTIFF OR "KNOWLEDGE OR INFORMATION" CONCERNING PLAINTIFF AND HUBBARD. (SEE P'S EX. 1B, ¶7D.) DEFENDANT FAILS TO RAISE A TRIABLE ISSUE REGARDING OBSTRUCTION OF JUSTICE/SUPPRESSION OF EVIDENCE. THE SETTLEMENT AGREEMENT EXPRESSLY DOES NOT PROHIBIT DEFENDANT FROM DISCLOSING INFORMATION PURSUANT TO SUBPOENA OR OTHER LEGAL PROCESS. (SEE P'S EX. 1B, ¶7H; CONTRAST WITH PEN. CODE, §§ 136.1 AND 138, *WILLIAMSON* V. *SUPERIOR COURT* (1978) 21 CAL.3D 829, *PEOPLE* V. *PIC'L* (1982) 31 CAL.3D 731.) NOR IS PLAINTIFF IN THIS CAUSE OF ACTION SEEKING TO PROHIBIT DISCLOSURE TO GOVERNMENT AGENCIES CONDUCTING INVESTIGATIONS PURSUANT TO STATUTORY OBLIGATIONS. (CONTRAST WITH *MARY R.* V. *B. & R. CORP.* (1983) 149 CAL.APP.3D 308 AND *ALLEN* V. *JORDANOS' INC.* (1975) 52 CAL.APP.3D 160.) EVEN IF A PORTION OF THE AGREEMENT COULD BE CONSTRUED TO SO PROHIBIT (SEE, E.G., ¶10), PLAINTIFF IS NOT RELYING ON THAT SECTION. NOR HAS DEFENDANT SHOWN THAT THE PROVISION IS SO SUBSTANTIAL AS TO RENDER THE ENTIRE CONTRACT ILLEGAL. (CONTRAST WITH *ALLEN, SUPRA*, 52 CAL.APP.3D AT 166.

SUPERIOR COURT, MARIN COUNTY, CALIFORNIA PAGE: 4-A
LAW & MOTION, CIVIL CALENDAR
RULINGS

TIME: 9:00 DATE: 1/27/95 DEPT: 1
JUDGE: GARY W. THOMAS REPORTER: E. PASSARIS CLERK: J. BENASSINI
CASE NO: 157680 TITLE OF ACTION: CHURCH OF SCIENTOLOGY V. GERALD ARMSTRONG

AS TO THE SIXTH CAUSE OF ACTION, DEFENDANT FAILS TO RAISE A TRIABLE ISSUE REGARDING THE CNN INTERVIEW. DEFENDANT ADMITTED IN HIS DEPOSITION THAT HIS CONVERSATION WITH CNN INVOLVED KNOWLEDGE HE HAD GAINED BECAUSE OF HIS YEARS OF EXPERIENCE WITH THE ORGANIZATION (P'S EX. 1A AT 344:1-4), THUS REFUTING HIS ARGUMENTS THAT HIS STATEMENT WAS BASED ON KNOWLEDGE ACQUIRED AFTER THE SETTLEMENT AGREEMENT AND THAT HIS INTERVIEW WAS DIRECTLY RELATED TO THE INSTANT LITIGATION. IN ADDITION, PLAINTIFF SET FORTH NO FACTS OR EVIDENCE IN HIS SEPARATE STATEMENT SHOWING THAT HE COULD DISCLOSE INFORMATION ACQUIRED AFTER EXECUTION OF THE SETTLEMENT AGREEMENT OR THAT HE COULD MAKE SUCH STATEMENTS IN THE CONTEXT OF FUTURE LITIGATION. FINALLY, THERE IS NOTHING IN THE STATEMENT WHICH TIES IT TO EITHER OF THE ARGUMENTS RAISED BY DEFENDANT. DEFENDANT ALSO FAILS TO RAISE A TRIABLE ISSUE REGARDING THE AMERICAN LAWYER INTERVIEW. DEFENDANT'S CLAIM THAT HE ONLY DISCUSSED THE INSTANT LITIGATION IS REFUTED BY HIS OWN ADMISSION THAT HE DISCUSSED "THE PLIGHT OF THE ORGANIZATION [AND] WHAT IT WOULD TAKE TO END ITS LEGAL TROUBLES." (D'S EX. 1D AT 352:15-19.) DEFENDANT'S CLAIM THAT HIS DISCUSSION INVOLVED "NOTHING MORE THAN WHAT JUDGE BRECKENRIDGE STATED IN HIS DECISION IN ARMSTRONG I" IS REFUTED BY HIS ADMISSION THAT HE DID NOT RECALL DISCUSSING THE BRECKENRIDGE OPINION WITH THE REPORTER. (D'S EX. 1D AT 358:20-23.) FURTHER, DEFENDANT POINTS TO NOTHING IN JUDGE BRECKENRIDGE'S OPINION WHICH COINCIDES TO THOSE MATTERS DISCUSSED BY DEFENDANT.

AS TO THE ELEVENTH CAUSE OF ACTION, PLAINTIFF HAS NOT SHOWN THAT DEFENDANT VIOLATED PARAGRAPH 7D OF THE SETTLEMENT AGREEMENT. THE DECLARATION RELIED ON BY PLAINTIFF (P'S EX. 1(A)(8)) DOES NOT DISCLOSE DEFENDANTS "EXPERIENCES WITH THE CHURCH OF SCIENTOLOGY [OR] ANY KNOWLEDGE OR INFORMATION HE MAY HAVE CONCERNING THE CHURCH OF SCIENTOLOGY..."

SUPERIOR COURT, MARIN COUNTY, CALIFORNIA
LAW & MOTION, CIVIL CALENDAR
RULINGS

PAGE: 4-A

TIME: 9:00 DATE: 1/27/95 DEPT: 1
JUDGE: GARY W. THOMAS REPORTER: E. PASSARIS CLERK: J. BENASSINI
CASE NO: 157680 TITLE OF ACTION: CHURCH OF SCIENTOLOGY V. GERALD ARMSTRONG

DEFENDANT ARMSTRONG FILED A SUPPLEMENTAL DECLARATION AND EVIDENCE SIX DAYS LATE. THE COURT DID NOT PERMIT SAME. THE PLAINTIFF'S MOTION TO STRIKE THE SUPPLEMENTAL PAPERS FROM THE FILE IS GRANTED. PLAINTIFF'S REQUEST FOR SANCTIONS IS GRANTED. DEFENDANTS KNEW THE LATENESS OF THE FILING, SOME SIX DAYS. THERE WAS AMPLE TIME TO SEEK THE COURT'S PERMISSION FOR A LATE FILING. PERMISSION WAS NOT SOUGHT. SANCTIONS REQUESTED BY PLAINTIFF PURSUANT TO SECTION 437C(i) ARE GRANTED IN THE AMOUNT OF $700, AS THE COURT FINDS THIS SIX-DAYS LATE FILING TO BE IN BAD FAITH.

NOT TO BE PUBLISHED

IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

SECOND APPELLATE DISTRICT

DIVISION FOUR

CHURCH OF SCIENTOLOGY INTERNATIONAL,
Plaintiff and Respondent,
v.
GERALD ARMSTRONG,
Defendant and Appellant.

No. B069450
(Super.Ct.No. BC052395)

COURT OF APPEAL - SECOND DIST.
FILED
MAY 16 1994
JOSEPH A. LANE Clerk
Deputy Clerk

APPEAL from an order of the Superior Court of Los Angeles County, Ronald M. Sohigian, Judge. Affirmed.

Ford Greene and Paul Morantz for Defendant and Appellant.

Bowles & Moxon, Karen D. Holly, Wilson, Ryan & Campilongo, Andrew H. Wilson, Rabinowitz, Boudin, Standard, Krinsky & Lieberman, Eric M. Lieberman, and Michael Lee Hertzberg for Plaintiff and Respondent.

Defendant and appellant Gerald Armstrong (Armstrong) appeals from an order granting a preliminary injunction restraining Armstrong from voluntarily giving assistance to other persons litigating or intending to litigate claims against plaintiff and respondent Church of Scientology International (Church).

The injunction was granted to enforce a settlement agreement in prior litigation between Armstrong and Church. In the settlement, Armstrong agreed he would not voluntarily assist other persons in proceedings against Church.

Armstrong does not deny violating his agreement but asserts numerous reasons why his agreement should not be enforceable. We conclude that the narrowly-limited preliminary injunction, which did not finally adjudicate the merits of Armstrong's claims, was not an abuse of the trial court's discretion to make orders maintaining the status quo and preventing irreparable harm pending the ultimate resolution of the merits.

FACTUAL AND PROCEDURAL BACKGROUND

Armstrong was a member of Church between 1969 and 1981. He became an insider of high rank, familiar with Church practices and documents. He became disillusioned and left Church in 1981. When he left, he took many Church documents with him.

The Prior Action and Settlement

Church brought the prior action against Armstrong seeking return of the documents, injunctive relief against further dissemination of information contained in them, and imposition of a constructive trust. Mary Sue Hubbard, wife of Church founder L. Ron Hubbard, intervened asserting various torts against Armstrong. Armstrong filed a cross-complaint seeking damages for fraud, intentional infliction of emotional distress, libel, breach of contract, and tortious interference with contract.

Church's complaint and Hubbard's complaint in intervention were tried in 1984 by Judge Breckenridge. That trial led to a judgment, eventually affirmed on appeal, holding Armstrong's conversion of the documents was justified because he believed the conversion necessary to protect himself from Church's claims that he had lied about Church matters and L. Ron Hubbard. (Church of Scientology v. Armstrong (1991) 232 Cal.App.3d 1060, 1063, 1073.)

Armstrong's cross-complaint in that case was settled in December 1986 by the settlement agreement which is the subject of the injunction in the present case.

In the settlement agreement, the parties mutually released each other from all claims, except the then-pending appeal of Judge Breckenridge's decision on Church's complaint, which was expressly excluded. The settlement involved a number of persons engaged in litigation against Church, all represented by Attorney Michael Flynn. As a result of the settlement, Armstrong was paid $800,000. Armstrong's cross-complaint was dismissed with prejudice, as agreed, on December 11, 1986.

The portions of the settlement agreement most pertinent to this appeal are paragraphs 7-G, 7-H, and 10, in which Armstrong agreed not to voluntarily assist other persons intending to engage in litigation or other activities adverse to Church.[1]

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[1] "G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology. [¶] H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed. [¶] . . . 10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement."

Paragraph 20 of the agreement authorizes its enforcement by injunction.

The Present Action

In February 1992, Church filed a complaint in the present action alleging Armstrong's violation of the settlement agreement and seeking damages and injunctive relief.

In support of its motion for a preliminary injunction, Church presented evidence that since June 1991 Armstrong had violated the agreement by working as a paralegal for attorneys representing clients engaged in litigation against Church and by voluntarily and gratuitously providing evidence for such litigation. Armstrong worked as a paralegal for Attorney Joseph Yanny, who represented Richard and Vicki Aznaran in a multimillion dollar suit against Church in federal court. Armstrong also voluntarily provided declarations for use in the Aznarans' case. Armstrong thereafter worked for Attorney Ford Greene on the Aznaran and other Church related matters.

Armstrong did not deny the charged conduct but asserted the settlement agreement was not enforceable for various reasons, primarily that it was against public policy and that he signed it under duress.

The Trial Court's Preliminary Injunction

The trial court granted a limited preliminary injunction, with exceptions which addressed Armstrong's argument that the settlement agreement violated public policy by requiring suppression of evidence in judicial proceedings.

The court found that Armstrong voluntarily entered the settlement agreement for which he received substantial compensation, and that Armstrong was unlikely to prevail on his duress claim. The court found that Armstrong could contract as part of the settlement to refrain from exercising various rights which he would otherwise have. Balancing the interim harms to the parties, the court found that to the extent of the limited acts covered by the preliminary injunction, Church would suffer irreparable harm which could not be compensated by monetary damages, and harm for which monetary damages would be difficult to calculate. (Code Civ. Proc., § 526, subds. (a)(2), (a)(4), (a)(5).)

The court's order provides, in pertinent part: "Application for preliminary injunction is granted in part, in the following respects only. [¶] Defendant Gerald Armstrong, his agents, and persons acting in concert or conspiracy with him (excluding attorneys at law who are not said defendant's agents or retained by him) are restrained and enjoined during the pendency of this suit pending further order of court from doing directly or indirectly any of the following: [¶] Voluntarily assisting any person (not a governmental organ or entity) intending to make, intending to press, intending to arbitrate, or intending to litigate a claim against the persons referred to in sec. 1 of the 'Mutual Release of All Claims and Settlement Agreement' of December, 1986 regarding such claim or regarding pressing, arbitrating, or litigating it. [¶] Voluntarily assisting any person (not a governmental organ or entity) arbitrating or litigating a claim against the persons referred to in sec. 1 of the 'Mutual Release of All Claims and Settlement Agreement' of December, 1986."

The court provided the following exceptions to address Armstrong's public policy arguments: "The court does not intend by the foregoing to prohibit defendant Armstrong from: (a) being reasonably available for the service of subpoenas on him; (b) accepting service of subpoenas on him without physical resistance, obstructive tactics, or flight; (c) testifying fully and fairly in response to properly put questions either in deposition, at trial, or in other legal or arbitration proceedings; (d) properly reporting or disclosing to authorities criminal conduct of the persons referred to in sec. 1 of the 'Mutual Release of All Claims and Settlement Agreement' of December, 1986; or (e) engaging in gainful employment rendering clerical or paralegal services not contrary to the terms and conditions of this order."

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DISCUSSION

The grant of a preliminary injunction does not adjudicate the ultimate rights in controversy between the parties. It merely determines that the court, balancing the relative equities of the parties, concludes that, pending a trial on the merits, the defendant should be restrained from exercising the right claimed. The purpose of the injunction is to preserve the status quo until a final determination of the merits of the action. (Continental Baking Co. v. Katz (1968) 68 Cal.2d 512, 528.)

The court considers two interrelated factors. The first is the likelihood the plaintiff will prevail at trial. The second is the interim harm the plaintiff is likely to sustain if the injunction is denied, as compared to the harm the defendant is likely to suffer if the injunction is granted. (Cohen v. Board of Supervisors (1985) 40 Cal.3d 277, 286.)

The decision to grant or deny a preliminary injunction rests in the discretion of the trial court. Accordingly, an appellate court's review on appeal from the granting of a preliminary injunction is very limited. The burden is on the appellant to make a clear showing that the trial court abused its discretion. (IT Corp. v. County of Imperial (1983) 35 Cal.3d 63, 69; Nutro Products, Inc. v. Cole Grain Co. (1992) 3

Cal.App.4th 860, 865.) Abuse of discretion means the trial court has exceeded the bounds of reason or contravened the uncontradicted evidence. (IT Corp. v. County of Imperial, supra, 35 Cal.3d at p. 69.)

Here, the trial court's memorandum decision reflects very careful consideration of the factors relevant to the granting of a preliminary injunction. The court weighed the relative harms to the parties and balanced the interests asserted by Armstrong. The court granted a limited preliminary injunction with exclusions protecting the countervailing interests asserted by Armstrong. We find no abuse of discretion. We cannot say that the trial court erred as a matter of law in weighing the hardships or in determining there is a reasonable probability Church would ultimately prevail to the limited extent reflected by the terms of the preliminary injunction.

Although Armstrong's "freedom of speech" is affected, it is clear that a party may voluntarily by contract agree to limit his freedom of speech. (See In re Steinberg (1983) 148 Cal.App.3d 14, 18-20 [filmmaker agreed to prior restraint on distribution of film]; ITT Telecom Products Corp. v. Dooley (1989) 214 Cal.App.3d 307, 319 [employee's agreement not to disclose confidential information; "it is possible to waive even First Amendment free speech rights by contract"]; Snepp v. United States (1980) 444 U.S. 507, 509, fn. 3 [book by CIA employee subject to prepublication clearance by terms of his employment contract].)

The exceptions in the trial court's injunction assured that the injunction would not serve to suppress evidence in legal proceedings. The injunction expressly did not restrain Armstrong from accepting service of subpenas, testifying fully and fairly in legal proceedings, and reporting criminal conduct to the authorities. (See Philippine Export & Foreign Loan Guarantee Corp. v. Chuidian (1990) 218 Cal.App.3d 1058, 1081-1082.) This contrasts with the stipulation in Mary R. v. B. & R. Corp. (1983) 149 Cal.App.3d 308, 315-316, cited by Armstrong, which prevented a party from disclosing misconduct to regulatory authorities.

This appeal is only from the granting of a preliminary injunction which expressly did not decide the ultimate merits. As limited by the trial court here, the preliminary injunction merely restrains, for the time being, Armstrong's voluntary intermeddling in other litigation against Church, in violation of his own agreement. We decline any extended discussion of Armstrong's shotgun-style brief, which offers more than a dozen separate contentions against enforcement. It suffices to say that Armstrong has not borne his burden on appeal to demonstrate a clear abuse of discretion.

DISPOSITION

The order granting a preliminary injunction is affirmed.

NOT TO BE PUBLISHED

VOGEL (C.S.), Acting P.J.

We concur:

HASTINGS, J.

KLEIN (Brett), J.*

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*Assigned by the Chairperson of the Judicial Council.

5424

OFFICE OF THE CLERK
COURT OF APPI
STATE OF CALIFORNIA

SECOND APPELLATE DISTRICT
JOSEPH A. LANE, CLERK

DIVISION: 4 DATE: 05/16/94

Bowles & Moxon
Laurie J. Bartilson
6255 Sunset Blvd
Suite 2000
Hollywood, CA. 90028

RE: Church of Scientology International
vs.
Armstrong, Gerald
2 Civil B069450
Los Angeles NO. BC052395

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date: August 16, 1994

Honorable	DAVID A. HOROWITZ	, Judge	S. ROBLES	, Deputy Clerk
		, Deputy Sheriff	LINDA NISHIMOTO #9147	, Reporter
2	C. AGUIRRE	, C.S.L.		, E/R Monitor

(Parties and Counsel checked if present)

BC052395

CHURCH OF SCIENTOLOGY, ETC

Counsel for Plaintiff MICHAEL LEE HERTZBERG (x)
LAURIE J. BARTILSON (x)

VS

GERALD ARMSTRONG, ET AL

Counsel for Defendant FORD GREENE (x)

NO LEGAL FILE

NATURE OF PROCEEDINGS:

MOTION BY CROSS-DEFENDANT, CHURCH OF SCIENTOLOGY INTERNATIONAL, FOR SUMMARY ADJUDICATION OF THE SECOND AND THIRD CAUSES OF ACTION OF THE CROSS-COMPLAINT;

Motion for Summary Adjudication of a Cause of Action (SACA) GRANTED. No triable issues of material facts. The 2nd and 3rd Causes of Action have no merit. CCP 437c(f)(1).

3rd Cause of Action - Breach of Contract.

Undisputed Facts: #1-9, essentially Undisputed, Cross-Defendant has accurately described the provisions of the Agreement; #10, not sufficiently disputed, Undisputed; #11, Undisputed; #12, no sufficiently disputed, Undisputed; #13, Undisputed; #14, Undisputed; #15, not sufficiently disputed, Undisputed; #16, Undisputed.

The Agreement terms are clear and unambiguous. Cross-Complainant understood the terms and signed it. The duties and obligations of the Agreement are clearly stated. "Mutuality" and "reciprocal" duties cannot be read into the unambiguous terms of the Agreement.

There are no provisions in the Agreement prohibiting the Cross-Defendant from referring to Cross-Complainant with the press or in legal pleadings or declarations. Cross-Complainant's beliefs as to what the Agreement should have said, it's validity, or what his attorney said or did to him are not relevant. The Agreement itself acknowledges that no agreements or understandings have been made among the parties aside from those set forth in the Agreement.

2nd Cause of Action - Abuse of Process.

Undisputed Facts: #17, not sufficiently disputed, Undisputed; #18, not sufficiently disputed, Undisputed; #19, Disputed; #20, Disputed, not material; #21, not sufficiently disputed, Undisputed; #22, Undisputed; #23, Disputed as to time discovered by Church counsel; #24,

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date: August 16, 1994

Honorable	DAVID A. HOROWITZ	, Judge	S. ROBLES	, Deputy Clerk
		, Deputy Sheriff	LINDA NISHIMOTO #9147	, Reporter
2a	C. AGUIRRE	, C.S.L.		, E/R Monitor

(Parties and Counsel checked if present)

BC052395

CHURCH OF SCIENTOLOGY, ETC

Counsel for Plaintiff: MICHAEL LEE HERTZBERG (x)
LAURIE J. BARTILSON (x)

VS

GERALD ARMSTRONG, ET AL

Counsel for Defendant: FORD GREENE (x)

NO LEGAL FILE

NATURE OF PROCEEDINGS:

disputed as to motivation, otherwise Undisputed; #25, not sufficiently disputed, Undisputed; #26, Undisputed; #27, disputed as to word "further", otherwise Undisputed; #28, Disputed, but not material; #29, Undisputed; #30, Undisputed that Marin Court granted a motion to Transfer; #31, Undisputed, except for term "irreparably harmed; #32, Undisputed; #33, Undisputed; #34, not sufficiently disputed, Undisputed; #35, Undisputed.

A One Year Statute of Limitations applies to an Abuse of Process cause of action. Code of Civil Procedure Section 340. Conduct allegedly occurring prior to July 22, 1991 is precluded by the one year Statute. Conduct alleged in paragraphs 13-24, 26 and 27, 29 and 30, 33-38, 40, 43-48 and para 57 are alleged to have occurred before 7/22/91 and are time barred.

The alleged conduct constituting "abuse of process" contained in paragraphs 49, 51, 52 and 55 does not constitute such abuse of process. That is, there are no allegations concerning the abuse of court process which constitutes a cause of action.

Communications with "some relation" to judicial proceedings have been absolutely immune from tort liability by the privilege codified as section 47(b). Albertson v. Raboff.

The alleged conduct of bringing suit, contained in paragraphs 53 and 54, is not sufficient to state a cause of action for "abuse of process. The filing or maintaining of a lawsuit cannot support a claims for abuse of process. The filing of a suit to enforce the Settlement Agreement cannot support claims for abuse of process.

The conduct alleged in para 50, ie, the filing of a complaint and the use of a declaration speaking of Cross-Complainant, does not constitute abuse of process and is privileged.

Paragraph 52 alleged conduct relating to declarations filed in a case in which the Cross-Complainant is not a party. Such conduct does not constitute abuse of process and is privileged.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date: August 16, 1994

Honorable	DAVID A. HOROWITZ	, Judge	S. ROBLES	, Deputy Clerk
		, Deputy Sheriff	LINDA NISHIMOTO #9147	, Reporter
2b	C. AGUIRRE	, C.S.L.		, E/R Monitor

(Parties and Counsel checked if present)

BC052395

CHURCH OF SCIENTOLOGY, ETC

Counsel for Plaintiff: MICHAEL LEE HERTZBERG (x)
LAURIE J. BARTILSON (x)

VS

GERALD ARMSTRONG, ET AL

Counsel for Defendant: FORD GREENE (x)

NO LEGAL FILE

NATURE OF PROCEEDINGS:

MOTION FOR SUMMARY ADJUDICATION OF SECOND AND THIRD CAUSES OF ACTION OF THE CROSS-COMPLAINT OF GERALD ARMSTRONG, GRANTED.

David A. Horowitz

DAVID A. HOROWITZ, JUDGE

This is the order called for by Code of Civil Procedure Section 437c(f) and Code of Civil Procedure Section 437c(g). No other written order is required.

A copy of this order is sent this date via U.S. Mail addressed as follows:

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(213) 661-4030

Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY
INTERNATIONAL

FILED
CLERK, U.S. DISTRICT COURT
NOV 25 1991
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

CHURCH OF SCIENTOLOGY INTERNATIONAL)
a California Non-Profit Religious)
Organization)
Plaintiff,)
v.)
STEVEN FISHMAN and UWE GEERTZ,)
Defendants.)

Case No. 91 6426 HLH (Tx)

COMPLAINT FOR PERSONAL INJURY

COMPLAINT

Plaintiff, Church of Scientology International, a California non-profit religious corporation ("Church"), sues defendants Steven Fishman ("Fishman") and Uwe Geertz ("Geertz") and alleges:

I.

Nature of the Action

1. Through a nationally published magazine, defendants Fishman and Geertz have falsely accused plaintiff of directing Fishman to murder Geertz and then commit suicide. This is an action for damages directly resulting from defendants' malicious publication of such untrue and defamatory statements of and concerning plaintiff.

II.

Jurisdiction and Venue

2. Plaintiff and defendants are citizens of different states. The Court has diversity jurisdiction of this lawsuit pursuant to 28 U.S.C. § 1332. The matter in controversy exceeds Fifty Thousand Dollars ($50,000) plus interest and costs.

3. Venue is proper in this Court pursuant to section 1391(a) of Title 28 of the United States Code in that jurisdiction is founded exclusively on diversity of citizenship and the claim arose in this judicial district by virtue of the publication of defendants' false and defamatory remarks of and concerning the Scientology religion in this district, an event which Fishman and Geertz intended when they committed the defamation and which was foreseeable at that time.

III.

Parties

4. Plaintiff Church of Scientology International is a non-profit religious corporation incorporated under the laws of the State of California, having its principal offices in the State of California. Plaintiff Church is the Mother Church of the Scientology Religion. Scientology is an internationally recognized religion, consisting of hundreds of churches and missions engaged solely in religious, charitable, humanitarian and community-oriented endeavors. The religion seeks to enhance its adherents' spiritual knowledge of themselves and their Creator. The Churches and

Missions of Scientology provide spiritual training and counselling to their parishioners in accordance with the Scriptures of the religion. Scientology has been recognized as a bona fide religion by courts around the world. Its members take an active role in the affairs of their communities, and participate in numerous activities designed to better the society in which they live.

5. At all times herein mentioned, defendants Fishman and Geertz were and are residents of the State of Florida.

IV.

Cause of Action

6. Plaintiff repeats and realleges each and every allegation set forth in paragraphs 1 through 5 of this Complaint as if fully set forth herein.

7. In the course of an interview with one or more representatives of Time magazine regarding the religion of Scientology, including reporter Richard Behar ("Behar"), Fishman and Geertz made false, defamatory and malicious claims of and concerning plaintiff specified below, including that Fishman was a member of the Scientology religion, that the Church was involved in fraudulent scams for which Fishman is serving a five-year sentence in federal prison, and that when Fishman was arrested, the Church of Scientology ordered him to kill his psychiatrist Uwe Geertz and to commit suicide. The claims were clearly false because, among other things, defendant Fishman was not only convicted of mail fraud but also for obstruction of justice for having attempted to falsely frame the Church of Scientology for his

crimes. Fishman attempted to frame the Church by hiring a third party to pose as a Scientologist and to telephone the death threat to him, Fishman, while his telephone was consensually tapped by the FBI.

8. Fishman and Geertz made these statements to Behar with intent and knowledge that such statements were likely to be published in a nationally distributed magazine and that said publication would result in immediate and severe loss of reputation for plaintiff. Defendants' false claims were in fact published in Behar's malicious and condemning article on Scientology entitled "The Thriving Cult of Greed and Power" which appeared in the May 6, 1991 issue of Time (hereinafter the "article"). See pertinent excerption of the article, attached as Exhibit A.

9. The article refers to the activities of a former Scientologist, Fishman, who is "serving a five-year prison term in Florida" and to Fishman and "his long-time psychiatrist, Uwe Geertz, a prominent Florida hypnotist."

10. As the Mother Church, plaintiff is regarded by the public as the Scientology Church and the institution responsible for the activities of Scientologists in the United States.

11. Some members of the public who read the article concluded that Fishman and Geertz have been associated and involved with plaintiff.

12. Some members of the public who read the article knew that Fishman and Geertz have had disputes with plaintiff.

13. On information and belief, the article has accurately quoted and re-published the following false and defamatory statements made by defendants that were of and concerning plaintiff:

> Occasionally a Scientologist's business antics land him in jail. Last August a former devotee named Steven Fishman began serving a five-year prison term in Florida. His crime: stealing blank stock-confirmation slips from his employer, a major brokerage house, to use as proof that he owned stock entitling him to join dozens of successful class-action lawsuits ... Scientology denies any tie to the Fishman scam, a claim strongly disputed by both Fishman and his long-time psychiatrist, Uwe Geertz, a prominent Florida hypnotist. Both men claim that when arrested, Fishman was ordered by the church to kill Geertz and then do an "EOC," or end of cycle, which is church jargon for suicide.

A copy of the article is attached as Exhibit A. The said May 6, 1991 issue of Time was broadly distributed in the geographic areas in which plaintiff conducts itself, including Los Angeles County, California and elsewhere.

14. In the article, by the use of the particular words set forth in paragraph 13 above, defendants conveyed the following false and defamatory implications and meanings of and concerning plaintiff:

A. Plaintiff was involved with Fishman in criminal theft;

B. Plaintiff was involved with Fishman in committing criminal fraud;

C. Plaintiff ordered Geertz to be murdered; and

D. Plaintiff ordered Fishman to commit suicide.

15. The false and defamatory implications and meanings of and concerning plaintiff, as alleged in paragraph 14, were also conveyed by the combination of individual statements contained in the article, including the juxtaposition of words and statements to each other, which, in the aggregate, produced the false and defamatory inferences from which said meanings and implications were conveyed.

16. Contrary to the aforesaid false and defamatory statements, implications and meanings,

A. Plaintiff was not involved in any way in Fishman's crimes or fraudulent activities;

B. Plaintiff never ordered, directed or otherwise communicated with Fishman to kill Geertz; and

C. Plaintiff never ordered, directed or otherwise communicated with Fishman to commit suicide.

17. Defendants knew and intended that the particular statements set forth in paragraph 13, and in the article as a whole, would convey each and every false and defamatory implication and meaning set forth in paragraph 14 of and concerning plaintiff and such false and defamatory meanings were conveyed by the particular statements set forth in paragraph 13, and by the inferences drawn from the article's statements in the aggregate.

18. The aforesaid false and defamatory statements,

implications and meanings were intended by defendants and understood by the reading public, to be of and concerning plaintiff.

19. The statements, implications and meanings alleged in paragraphs 13 and 14 were published by defendants with bad motives.

20. At the time of publication of the statements to Behar and subsequently to the general public in the article, defendants acted with actual malice in that defendant knew that the aforesaid defamatory statements, implications and meanings were false and/or published them or caused them to be published in reckless disregard of their truth or falsity and/or published them or caused them to be published without reasonable grounds for believing them to be true. Among other things, defendant knew and recklessly disregarded the fact that the Department of Justice and the Federal Bureau of Investigation had found that defendant Fishman had fraudulently and criminally attempted to frame Scientology for acts which said defendant claimed as having been committed by plaintiff, and that defendant Fishman himself had been convicted of obstruction of justice for the creation of such false charges against Scientology, after pleading guilty to those charges.

21. The aforesaid defamatory statements, implications and meanings were published or caused to be published by defendants intentionally having full knowledge of their truth or falsity.

22. The publication of the said defamatory statements,

implications and meanings was motivated by ill-will and defendants' desire to destroy the religious activities of the plaintiff.

23. Defendants were motivated to and did publish each of the said defamatory statements, implications and meanings for the purpose of discrediting plaintiff in its religious activities and its relationship with its parishioners, without regard to the falsity of the said publication.

24. By the aforesaid statements, implications and meanings, defendants have charged plaintiff with serious criminal acts and fraudulent conduct.

25. Prior to and at the time of the publication of said article, plaintiff had enjoyed a good reputation as an organization dedicated to the dissemination and promotion of the Scientology religion.

26. By reason of the aforesaid acts of defendants, plaintiff has sustained serious actual damages, including but not limited to the following:

A. Plaintiff's reputation has been grievously injured;

B. Plaintiff's ability to conduct religious affairs to advance and disseminate the principles and practices of Scientology has been substantially impaired; and

C. Plaintiff has incurred and will continue to incur expenses, in an amount which cannot at this time be fully determined, to correct defendants' defamatory statements.

WHEREFORE, plaintiff prays for entry of judgment providing for:

A. An award of compensatory damages in excess of $50,000.00 against each defendant;

B. An award of punitive damages in the amount of no less that $1,000,000.00 against each defendant; and

C. Such other and further relief as may be just and equitable.

Dated: November 25, 1991

Respectfully submitted,

BOWLES & MOXON

By: ______________________
Laurie J. Bartilson

Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY
INTERNATIONAL

Exhibit A

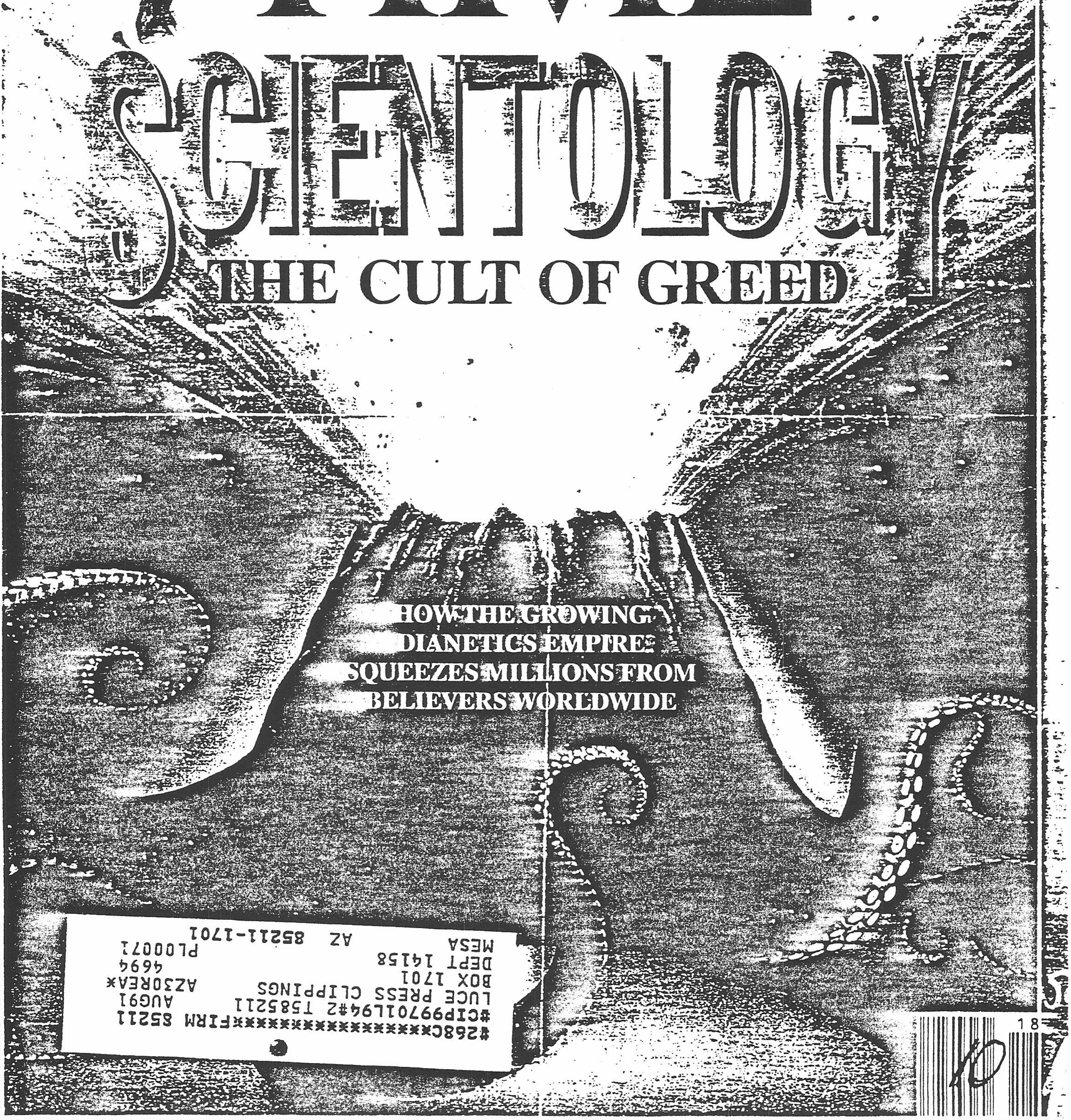
M[illegible]

SUNUNU: Headed for a Fall? 5438

TIME

SCIENTOLOGY

THE CULT OF GREED



HOW THE GROWING
DIANETICS EMPIRE
SQUEEZES MILLIONS FROM
BELIEVERS WORLDWIDE

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Former Surgeon General C. Everett Koop labeled the book "trash," and the Food and Drug Administration issued a paper in October that claims Steinman distorts his facts. "HealthMed is a gateway to Scientology, and Steinman's book is a sorting mechanism," says physician William Jarvis, who is head of the National Council Against Health Fraud. Steinman, who describes Hubbard favorably as a "researcher," denies any ties to the church and contends, "HealthMed has no affiliation that I know of with Scientology."

DRUG TREATMENT. Hubbard's purification treatments are the mainstay of Narconon, a Scientology-run chain of 33 alcohol and drug rehabilitation centers—some in prisons under the name "Criminon"—in 12 countries. Narconon, a classic vehicle for drawing addicts into the cult, now plans to open what it calls the world's largest treatment center, a 1,400-bed facility on an Indian reservation near Newkirk, Okla. (pop. 2,400). At a 1989 ceremony in Newkirk, the Association for Better Living and Education presented Narconon a check for $200,000 and a study praising its work. The association turned out to be part of Scientology itself. Today the town is battling to keep out the cult, which has fought back through such tactics as sending private detectives to snoop on the mayor and the local newspaper publisher.

FINANCIAL SCAMS. Three Florida Scientologists, including Ronald Bernstein, a big contributor to the church's international "war chest," pleaded guilty in March to using their rare-coin dealership as a money laundry. Other notorious activities by Scientologists include making the shady Vancouver stock exchange even shadier *(see box)* and plotting to plant operatives in the World Bank, International Monetary Fund and Export-Import Bank of the U.S. The alleged purpose of this scheme: to gain inside information on which countries are going to be denied credit so that Scientology-linked traders can make illicit profits by taking "short" positions in those countries' currencies.

In the stock market the practice of "shorting" involves borrowing shares of publicly traded companies in the hope that the price will go down before the stocks must be bought on the market and returned to the lender. The Feshbach brothers of Palo Alto, Calif.—Kurt, Joseph and Matthew—have become the leading short sellers in the U.S., with more than $500 million under management. The Feshbachs command a staff of about 60 employees and claim to have earned better returns than the Dow Jones industrial average for most of the 1980s. And, they say, they owe it all to the teachings of Scientology, whose "war chest" has received more than $1 million from the family.

The Feshbachs also embrace the church's tactics; the brothers are the terrors of the stock exchanges. In congressional hearings in 1989, the heads of several companies claimed that Feshbach operatives have spread false information to government agencies and posed in various guises—such as a Securities and Exchange Commission official—in an effort to discredit their companies and drive the stocks down. Michael Russell, who ran a chain of business journals, testified that a Feshbach employee called his bankers and interfered with his loans. Sometimes the Feshbachs send private detectives to dig up dirt on firms, which is then shared with business reporters, brokers and fund managers.

The Feshbachs, who wear jackets bearing the slogan "stock busters," insist they run a clean shop. But as part of a current probe into possible insider stock trading, federal officials are reportedly investigating whether the Feshbachs received confidential information from FDA employees. The brothers seem aligned with Scientology's war on psychiatry and medicine: many of their targets are health and biotechnology firms. "Legitimate short selling performs a public service by deflating hyped stocks," says Robert Flaherty, the editor of *Equities* magazine and a harsh critic of the brothers. "But the Feshbachs have damaged scores of good start-ups."

Occasionally a Scientologist's business antics land him in jail. Last August a former devotee named Steven Fishman began serving a five-year prison term in Florida. His crime: stealing blank stock-confirmation slips from his employer, a major brokerage house, to use as proof that he owned stock entitling him to join dozens of successful class-action lawsuits. Fishman made roughly $1 million this way from 1983 to 1988 and spent as much as 30% of the loot on Scientology books and tapes.

Scientology denies any tie to the Fishman scam, a claim strongly disputed by both Fishman and his longtime psychiatrist, Uwe Geertz, a prominent Florida hypnotist. Both men claim that when arrested, Fishman was ordered by the church to kill Geertz and then do an "EOC," or end of cycle, which is church jargon for suicide.

MIKE CLEMMER FOR TIME

THE ROWE FAMILY SPENT $23,000 on Dianetics treatment. Like many dentists, Glover Rowe was drawn in by Sterling Management, which does not publicize its ties to Scientology.

BOOK PUBLISHING. Scientology mischiefmaking has even moved to the book industry. Since 1985 at least a dozen Hubbard books, printed by a church company, have made best-seller lists. They range from a 5,000-page sci-fi decology *(Black Genesis, The Enemy Within, An Alien Affair)* to the 40-year-old *Dianetics*. In 1988 the trade publication *Publishers Weekly* awarded the dead author a plaque commemorating the appearance of *Dianetics* on its best-seller list for 100 consecutive weeks.

Critics pan most of Hubbard's books as unreadable, while defectors claim that church insiders are sometimes the real authors. Even so, Scientology has sent out armies of its followers to buy the group's books at such major chains as B. Dalton's and Waldenbooks to sustain the illusion of a best-selling author. A former Dalton's manager says that some books arrived in his store with the chain's price stickers already on them, suggesting that copies are being recycled. Scientology claims that sales of Hubbard books now top 90 million worldwide. The scheme, set up to gain con-

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Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY
INTERNATIONAL

FILED
MAR 17 1995
HOW HANSON
MARIN COUNTY CLERK
Dep

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation,

Plaintiff,

vs.

GERALD ARMSTRONG; DOES 1 through 25, inclusive,

Defendants.

CASE NO. BC 157680

EVIDENCE IN SUPPORT OF PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR SUMMARY ADJUDICATION OF THE THIRTEENTH, SIXTEENTH, SEVENTEENTH AND NINETEENTH CAUSES OF ACTION OF PLAINTIFF'S SECOND AMENDED COMPLAINT

DATE: April 14, 1995
TIME: 9:00 a.m.
DEPT: 1

TRIAL DATE: May 18, 1995

INDEX TO EXHIBITS

EXHIBIT 1: Declaration of Laurie J. Bartilson

EXHIBIT 1(A): Mutual Release of All Claims and Settlement Agreement, executed by Gerald Armstrong on December 6, 1986.

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EXHIBIT 1(C): Declaration of Graham E. Berry executed May 7, 1992 and exhibit B attached thereto. Filed in the case of Church of Scientology International v. Gerald Armstrong et al., Los Angeles County Superior Court, Case No. BC 052395.

EXHIBIT 1(D): Marin Independent Journal, Wednesday, November 11, 1992 article entitled, "Is money the root of problems?".

EXHIBIT 1(E): Transcript of video tape interview with Gerry Armstrong, November 6, 1992.

EXHIBIT 1(F): Excerpt from the deposition of Gerald Armstrong, Volume V, March 10, 1993 pgs 598-600, taken in Church of Scientology International v. Gerald Armstrong et al., Los Angeles County Superior Court, Case No. BC 052395.

EXHIBIT 1(G): Newsweek article, June 14, 1993 entitled "Scientology in the Schools", by Kenneth Woodward and Charles Fleming.

EXHIBIT 1(H): Excerpt from the deposition of Gerald Armstrong, Volume VI, August 18, 1994 pgs 736-737 taken in

Church of Scientology International v. Gerald Armstrong et al., Los Angeles County Superior Court, Case No. BC 052395.

EXHIBIT 1(I): Letter from Gerald Armstrong to Mark Goldowitz, dated June 30, 1993.

EXHIBIT 1(J): Letter from Gerald Armstrong to Charles Fleming, dated August 28, 1993.

EXHIBIT 1(K): Video tape of a segment of Entertainment TV, August 5, 1993.

EXHIBIT 1(L): Transcript of a segment of Entertainment TV, August 5, 1993.

EXHIBIT 1(M): Letter from Gerald Armstrong to Larry Wollersheim, dated July 4, 1993.

EXHIBIT 1(N): Excerpt from the deposition of Gerald Armstrong, Volume VII, August 19, 1994 pgs 875-876, taken in Church of Scientology International v. Gerald Armstrong et al., Los Angeles County Superior Court, Case No. BC 052395.

EXHIBIT 1(O): Defendant's List of Proposed Witnesses Pursuant to Local Rule 9.4.5, filed in Church of Scientology International vs. Steven Fishman and Uwe Geertz, Central District of California, Case No. 91-6426-HLH(Tx).

EXHIBIT 1(P): Defendant, Uwe Geertz, Ph.D.'s Brief Narrative Statements Regarding Expected Testimony of Expert Witnesses, filed in Church of Scientology International vs. Steven Fishman and Uwe Geertz, Central District of California, Case No. 91-6426-HLH(Tx).

EXHIBIT 1(Q): Excerpts from the deposition of Gerald Armstrong, Volume VI, August 18, 1994 pgs 782-789; Volume VI-A, August 18, 1994 pgs 798-801; and Volume VII, August

19, 1994 pgs 1045-1046, 1057-1059, taken in Church of Scientology International v. Gerald Armstrong et al., Los Angeles County Superior Court, Case No. BC 052395.

EXHIBIT 1(R): Letter from Gerald Armstrong to Graham Berry, dated January 27, 1994.

EXHIBIT 1(S): Declaration of Gerald Armstrong re: Motion for Costs, executed on February 22, 1994 and filed in Church of Scientology International v. Steven Fishman and Uwe Geertz, U.S. District Court Central District of California, Case No. CV 91-6426 HLH (Tx).

EXHIBIT 1(T): Declaration of Gerald Armstrong dated April 21, 1994.

EXHIBIT 1(U): Excerpts from the deposition of Sylvia Pinon Taylor taken on October 5, 1994 in Church of Scientology International v. Gerald Armstrong et al., Los Angeles County Superior Court, Case No. BC 052395.

Dated: March 16, 1995

Respectfully submitted,

Andrew H. Wilson
WILSON, RYAN AND CAMPILONGO

MOXON & BARTILSON

By: Laurie J. Bartilson
Laurie J. Bartilson

Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY
INTERNATIONAL

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Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY
INTERNATIONAL

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation, Plaintiff, vs. GERALD ARMSTRONG; DOES 1 through 25, inclusive, Defendants.	CASE NO. BC 157680 DECLARATION OF LAURIE J. BARTILSON IN SUPPORT OF PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR SUMMARY ADJUDICATION OF THE THIRTEENTH, SIXTEENTH, SEVENTEENTH AND NINETEENTH CAUSES OF ACTION OF PLAINTIFF'S SECOND AMENDED COMPLAINT DATE: April 14, 1995 TIME: 9:00 a.m. DEPT: 1 TRIAL DATE: May 18, 1995

LAURIE J. BARTILSON deposes and says:

1. My name is Laurie J. Bartilson and I am one of the attorneys responsible for the representations of the plaintiff in this action. I have personal knowledge of the facts set forth in this Declaration and could competently testify thereto if called as a witness.

2. Attached hereto and incorporated herein are true and correct copies of documents submitted as exhibits in support of Plaintiff's Notice of Motion and Motion for Summary Adjudication of the Thirteenth, Sixteenth, Seventeenth and Nineteenth Causes of Action of Plaintiff's Second Amended Complaint.

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Superior Court, Case No. BC 052395.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 16th day of March, 1995, at Los Angeles, California.

Laurie J. Bartilson

MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

1. This Mutual Release of All Claims and Settlement Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

PLAINTIFF'S
EXHIBIT
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"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this block

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amount, the receipt of which he hereby acknowledges. Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.

Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or unknown,

for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the Church of

Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of $50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV

85-0440-HLH(Tx), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.

L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically

incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and

all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement, representation or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.

20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 1986

GERALD ARMSTRONG

Witness

Witness

Dated: 12/6/86

APPROVED AS TO FORM AND CONTENT:

M. J. Flynn

MICHAEL J. FLYNN
Attorney for
GERALD ARMSTRONG

Dated: December 11, 1986

for
CHURCH OF SCIENTOLOGY
INTERNATIONAL

APPENDIX A

1. As used herein, the term "document" or "documents" include but are not limited to all originals, file copies and copies not identical to the original, no matter how prepared, of all writings, papers, notes, records, books and other tangible things including, by way of example and not of limitation, the following:

a. Memoranda, notes, calendars, appointment books, shorthand or stenographer's notebooks, correspondence, letters and telegrams, whether received, sent, filed or maintained internally;

b. Drafts and notes, whether typed, penciled or otherwise, whether or not used;

c. Minutes, reports and summaries of meetings;

d. Contracts, agreements, understandings, commitments, proposals and other business dealings;

e. Recordings, transcriptions and memoranda or notes made of any telephone or face-to-face oral conversations between or among persons;

f. Dictated tapes or other sound recordings;

g. Computer printouts or reports and the applicable program or programs therefor;

h. Tapes, cards or any other means by which data are stored or preserved electrically, electronically, magnetically or mechanically, and the applicable program or program therefor (from which plaintiff may reproduce or cause to be reproduced such data in written form);

i. Pictures, drawings, photographs, charts or other graphic representations;

j. Checks, bills, notes, receipts, or other evidence of payment;

k. Ledgers, journals, financial statements, accounting records, operating statements, balance sheets and statements of account.

Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
235 Montgomery Street
Suite 450
San Francisco, California 94104
(415) 391-3900

Laurie J. Bartilson
BOWLES & MOXON
6255 Sunset Boulevard
Suite 2000
Hollywood, California 90028
(213) 661-4030

Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation; Plaintiff, vs. GERALD ARMSTRONG; DOES 1 through 25, inclusive, Defendants.	Case No. 152229 DECLARATION OF LAWRENCE E. HELLER

I, LAWRENCE E. HELLER, hereby declare:

1. I am an attorney at law duly licensed to practice before all of the courts of the State of California and am a partner in the law firm of Turner, Gerstenfeld, Wilk & Tigerman. I have personal knowledge of the matters set forth below, and if called upon to do so, could and would competently testify thereto.

2. In 1986 I assisted various Churches of Scientology to achieve the settlement of a series of lawsuits with attorney

Michael J. Flynn and a several other attorneys around the country, who represented a number of plaintiffs and witnesses against those Churches of Scientology. Gerald Armstrong was one of these plaintiffs.

3. To finalize this settlement with Armstrong, I met with Mr. Armstrong and his attorney, Michael Flynn, in Los Angeles on December 6, 1986. I was present when Mr. Armstrong, in the presence of his attorney signed the Settlement Agreement with the Church of Scientology International. This meeting and signing was video taped.

4. Attached as Exhibit A to this Declaration is a copy of the video tape made at that meeting. I have reviewed this tape and state that it accurately depicts all of the events of that meeting.

5. Attached as Exbit B is a copy of the transcript of that video tape. I have reviewed this transcript against the video, itself, and state that it is an accurate transcription of the video.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 2nd day of March, 1992, at Los Angeles, California.

Lawrence E. Heller

Exhibit B

TRANSCRIPT OF GERALD ARMSTRONG VIDEO RECORDING OF SETTLEMENT AGREEMENT SIGNING

Appearances: December 6, 1986

LH: Larry Heller

GA: Gerald Armstrong

MF: Michael Flynn

JR: Jo Ann Richardson (Notary)

MS: Michael Sutter (Witness)

BEGINNING OF TAPE

LH This is fine, that covers everything and um, we're alright.

MF How many you got there?

LH Well I got the two affidavits for, then I got these here which, um, we don't have to sign these on video tape - we can do it if you like...

MF It makes no difference to me.

LH It's all the same to me too...

LH OK. It's now 9:04, ah, pm on December 6 1986 and to my left is Gerald Armstrong and next to him Michael J. Flynn. Um, Mr. Armstrong, I understand Mr. Flynn is your attorney here representing you today, is that correct?

GA Right.

LH OK. Ah, Mr. Armstrong I'm going to ask you to sign three documents, ah, a mutual release of all claims and settlement agreement, and two separate affidavits. Prior to doing so however, I would like to ask you some questions with regard to those documents, um-hum, excuse me, which I would like you to answer freely and honestly if you would. Ah, first of all have you had a chance to, ah, completely and comprehensively review and read these documents?

GA Yeah.

LH OK. Have you had a chance to discuss these documents with your attorney, Mr. Flynn?

GA Yes.

LH Has Mr. Flynn explained these documents as well the legal and factual ramifications to you, legal and practical ramifications to you to your satisfaction?

GA Uh, I think so, yes.

LH OK. Well do you have any question of that whatsoever?

GA No, I have no current questions about it.

LH OK, very good. You are going to sign these of your own free will?

GA Yes.

LH OK. You are not suffering from any duress or coercion which is compelling you to sign these documents?

GA No.

LH Alright, you are not presently under the influence of alcohol or any medication, prescription or otherwise, which would impede your ability to comprehend the um, legal and factual intent of these documents?

GA No.

LH Um, you may have noticed in reviewing the settlement agreement that, ah, you are part of a what we have generically described as a universal settlement, ah, what I mean by that is and you probably know that independently as well, as you're smiling. What I mean by that...

GA ... no, just that, that's the same as a global settlement, right?

LH It's the same thing. Exactly.

GA Got it.

LH I said generically described so far, universal, global, all encompassing - whatever you like, but the intent of it is that, um, you are one of many claimants uh, who uh, contend that they have claims against the Church of Scientology as well as related and unrelated entities and individuals. Some of those claimants have litigation such as you do pending against the Church of Scientology, some of them don't.

Uh, as you also may or may not know, uh, one lump sum payment is being made to Mr. Flynn. Um, Mr. Flynn is then going to be distributing from that lump sum certain sums to some or all of these claimants...

MF After I go to Rio.

LH After he goes to Rio, exactly. Neither I nor my clients know what the nature or amount that that distribution is um, and we don't want to know. Uh, what's important to us is that you realize that it's a universal/global settlement; that you realize that you are getting paid a certain amount out of that settlement, if you in fact are, and I'm making the assumption you are, but that, uh, and also that you tell me while we're now on video tape that you are happy and satisfied with the amount that Mr. Flynn has promised to pay you.

(phone rings and is answered)

GA Yes.

LH OK, now, other than any representations which Mr. Flynn has made to you in order to uh, get you to sign this uh, have any other representations been made by either myself or my clients or anything else which has compelled you to sign these documents?

Now, what I'm saying to you is there are obviously representations in the documents...

GA Correct.

LH Mr. Flynn has spoken with you - he has said you will get this and that for the, uh, whether money or other consideration for the signing of these documents...

GA Right.

LH OK, now I want to make sure that were there any other representations made to you of anything you would get in consideration for the signing of these documents.

GA Not in terms of what I would get: no.

LH OK. Along those same lines - As I said this is a universal settlement - ah, accordingly, ah, it is possible that some of the other parties may not settle for some reason, and I want you to be aware of the fact that if in fact one of those other, one or more of those other parties do not settle, this settlement falls through. You're aware of that?

GA OK.

LH OK, and you're also aware of the fact however that we are putting these in what is in effect an escrow account - these documents and this video tape - an escrow, um, sort of holding place, uh, so that all of these documents in the video tape will be destroyed if the, uh, settlement does not go through. And you're aware of all that? ...OK?

GA Um-hum.

LH OK, uh, with that then why don't we take a picture of the mutual release of all claims and settlement agreement and then I'll ask you to sign it.

...zoom to document...

LH OK, now what I'm going to ask you to do is please is to initial each of the bottom of each of these pages, I'll turn the page for you and then you'll sign it, I think in two different places if you would.

...GA initials the document...

MF Oh you've got a signature there, Lar.

LH Oh, I'm sorry...that's right...right up here.

...GA continues to initial and sign the document...

LH OK and if you'd date and sign there please.

...GA signs the document...

MF You didn't want to eat dinner with any of those people anyway.

LH No, what did I want to go out to dinner for. Is that crazy? OK, let's see, if you give it to Mr. Flynn, he'll sign it ... and you'll take two separate pictures of these Ted.

...zoom into document...

MF Little art work?

GA I think it...I think we have to, seeing as that's how the checks are.

LH OK and I've just taken a picture of this affidavit and asked that you initial at the bottom of the pages and then sign it once you get your pen back.

...GA signs document...

MF (Laughs)

LH OK, and here is the second affidavit...

...zoom into document...

LH OK.

...GA signs document...

MF How do you do that so quickly? That's awesome.

LH Um... OK, do you have any sort of identification on you so we can give it to the notary?

GA Sure.

LH So she can notarize your documents.

GA We haven't met before, have we?

JR No.

LH Why don't I have you sign...

LH Uh, I don't think we need to take a picture of this, this is the stipulated sealing order but you know what, all of these are for Bruce Bunch's signature I think...

MF Oh, are they...

LH Because...

MF Should we get Bruce donw here at some point?

LH Well...

MF Bruce is in trial I think...

GA Yeah, he is.

MF Yeah, whatever, we can get Bruce back down here. He's in the middle of a trial...

LH I think I'd want either Bruce or Julia's signature on this.

MF Julia would probably be easier...

LH Yeah...

MF Cause Bruce is in the middle of a trial.

LH Well we can arrange for that, that shouldn't be a problem...

MF Well she's coming Monday to do hers...right?

LH Exactly, um, ok, I noticed by the way, in this stipulation for return of sealed materials, it also has Mr. Armstrong's signature and your signature on it so...Let's take a picture of that.

...zoom into document...

LH And have you had a chance to read this yet Mr. Armstrong?

GA Yeah.

LH OK...alright... would you date and sign that please.

GA I keep thinking it's '85.

LH It's a good way...certainly...not to confuse your signature...

GA No.

LH ...Because Mr. Armstrong is, um, putting a face on his signature.

GA Makes it valuable.

LH Exactly.

MF It's awesome...as opposed to my ugly scrawl.

LH You probably have the same artistic talent that I have, which is...

MF Mine is zero.

LH Zero to none. OK, and I think that's it. Thank you Ted. Oh OK, or do you have any questions?

GA No, no

MF Those are orders...

LH These are orders which will be signed by the attorneys which will relate to sealing the files so that no one can get into them as well dismissing your actions. Those will be signed when the entire settlement is finished, um, and then given to the court for Judge Breckenridge's signature.

GA OK...

LH OK.

MF We should put how many docs we got...

GA Do you need duplicate sets signed? Or is that...

MF No, no there's only one...

LH No.

...counting documents...

MF 1-2-3-4 here.

LH OK, I've got two here which is six and then there's two affidavits which is eight.

LH OK, and if you got a drivers license or...

GA Right here.

JR He gave it to me...

LH Already got it?

GA Yeah.

JR You need to put your signature there and your address there please.

LH So you had a good time today?

MF Oh yeah, we had an excellent time, it was very pleasant and we had a nice plane ride up - nice plane ride back...

LH Well Michael's good company.

MF Nice visit with ah...yeah, Mike's very good company... nice, pleasant...

LH I've flown with him once or twice myself.

MF Yeah.

LH The trouble with me, he ususally sleeps. I'm not sure why that is.

MF No, we didn't sleep, (laughs).

MF Witnesses, we need witnesses with some of these docs.

LH Uh, no I think there was a one...that's right.

MF ...several are needed...

LH ...well, just, no only...

MF ...just the release.

LH Only the ah, mutual release...did I see a witness signature there? And there were... you know let's get Ted back - As a matter of fact Ted, why don't you roll this again because we're going to have witnesses sign. Thanks for reminding me.

MS Should Ted be a witness?

LH Oh, you two were witnesses so far... OK, we're back on the camera - 9:15 - and I neglected to get witnesses signatures on the uh, mutual release of all claims and settlement agreement so why don't I do that right now.

...Witnesses sign...

MS Just the one?

LH Okee-dokee, yup, and those are affidavits. Will you stamp them? Thanks Ted. Allright, so...we want to put up all this down in the vault...

MF This all goes together.

LH ...and you've marked that stuff for Michael Hertzberg.

MF Yeah. All marked.

END OF TAPE

LEWIS, D'AMATO, BRISBOIS & BISGAARD
DAVID B. PARKER
GRAHAM E. BERRY
JAYESH PATEL
221 North Figueroa Street, Suite 1200
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1925 Century Park East
Suite 1260
Los Angeles, California 90067
(213) 551-2966

Attorneys for Amicus Curiae Joseph A. Yanny, an individual and Joseph A. Yanny, a professional Law Corporation.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY INTERNATIONAL, A California not-for-profit religious corporation, Plaintiff, vs. GERALD ARMSTRONG and DOES 1 through 25 inclusive, Defendants.	No. BC 052 395 DECLARATION OF GRAHAM E. BERRY TO ALL EVIDENCE IN SUPPORT OF AMENDED AMICUS CURIAE BRIEF IN OPPOSITION TO PLAINTIFFS' ORDER TO SHOW CAUSE RE PRELIMINARY INJUNCTION AND SUPPORTING EXHIBITS Date: May 14, 1992 Time: 8:30 a.m. Dept.: 86 [Filed concurrently with Joseph A. Yanny's Amended Amicus Curiae Brief]

I, Graham E. Berry, declare:

1. I am an attorney duly licensed to practice before the courts in the state of California and I am a member of the law firm of Lewis, D'Amato, Brisbois & Bisgaard, attorneys of record for amicus curiae Joseph A. Yanny, Esq. in this action.

2. I have personal knowledge of the facts contained in this declaration and could and would competently testify to those

facts if called upon to do so. As to those matters which are stated to be upon information and belief, I believe them to be true.

3. This declaration is offered in support of Joseph A. Yanny's amicus curaie brief in opposition to plaintiffs' order to show cause re preliminary injunction.

4. Attached hereto as Exhibit A is a copy of a document entitled mutual release of all claims and settlement agreement dated 12-6-86. ("The Armstrong Settlement Agreement.")

5. Attached hereto as Exhibit B is a copy of a document entitled settlement agreement and bearing various dates in and around December 6, 1986.

6. Attached hereto as Exhibit C is a copy of an order dismissing action with prejudice dated December 11, 1986.

7. Attached hereto as Exhibit D is a copy of a minute order entered December 12, 1986.

8. Attached hereto as Exhibit E is a copy of reporters transcript of proceedings, December 11, 1986.

9. Attached hereto as Exhibit F is a copy of Reporters transcript of hearing dated August 6, 1991 in Religious Technology Center et al v. Joseph A. Yanny, et al. ("The Yanny II Injunction Hearing").

10. Attached hereto as Exhibit G is a copy of a memorandum of intended decision and accompanying minute order dated June 22, 1984. ("The Breckenridge Decision in Armstrong I").

11. Attached hereto as Exhibit H is a copy of the complaint in Vicki Aznaran and Richard Aznaran v. Church of

Scientology et al. ("The Aznaran Complaint").

12. Attached hereto as Exhibit I is a copy of a verified complaint in Religious Technology Center et al. v. Joseph A. Yanny, ("The Yanny II Complaint").

13. Attached hereto as Exhibit J is a copy of the verified first amended answer in Religious Technology Center et al v. Joseph A. Yanny et al. ("The Yanny II Answer")

14. Attached hereto as Exhibit K is a copy of Reporters Transcript of Proceedings, December 23, 1991. ("The Geernaert Decision in Armstrong I")

15. Attached hereto as Exhibit L is a copy of a letter and enclosure dated March 13, 1992 from Graham E. Berry of Lewis, D'Amato, Brisbois & Bisgaard to Laurie J. Bartilson of Bowles & Moxon requesting plaintiffs to release Gerald Armstrong from the provisions of the Armstrong Settlement Agreement with regard to Joseph A. Yanny.

16. Attached hereto as Exhibit "M" is a copy of a letter from Gerald Armstrong to Eric Lieberman a Scientology attorney dated August 21, 1991 complaining of harassment, surveillance and terrorism.

17. Attached hereto as Exhibit N is a copy of reporters transcript of proceedings dated March 3, 1992. ("The Dufficy Decision").

18. Attached hereto as Exhibit O is a copy of a meet and confer statement in Religious Technology Center et al v. Joseph A. Yanny ("Yanny II") which explains the Yanny II litigation and underlying facts.

//

19. Attached hereto as Exhibit P is a copy of a Declaration of Gerald Armstrong Dated March 16, 1992.

20. Attached hereto as Exhibit Q are deposition excer2pts from the Deposition of Gerald Armstrong taken on Tuesday, March 17, 1992.

21. Attached hereto as Exhibit R are deposition excerpts from the Deposition of Gerald Armstrong taken on April 7, 1992.

22. Attached hereto as Exhibit S is a copy of L. Ron Hubbard's Technique 88 "Control and Lying".

23. Attached hereto as Exhibit T is a copy of "Suppressive Person Declare Gerry Armstrong."

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 7th day of May, 1992 at Los Angeles, California.

Graham E. Berry

Graham E. Berry

Exhibit B

Work Copy

5483

SETTLEMENT AGREEMENT

A. PRIOR SETTLEMENTS:

Settlement agreements made prior to November 1, 1986 and prior to the collective settlement stated below:

	Client	Amount	Fee and Expenses
(1)	Bears	$115,000.00	To be determined with local counsel
(2)	Garritys	$175,000.00	To be determined with local counsel
(3)	Petersons	$175,000.00	To be determined with local counsel
(4)	Jefferson	$150,000.00	To be determined with local counsel
(5)	Lockwood	$150,000.00	To be determined with local counsel
(6)	Hartwell	$150,000.00	To be determined with local counsel
		$915,000.00	To be determined with local counsel

B. INDEPENDENT SETTLEMENT:

The Christofferson-Titchborne settlement was made separate from the collective settlement. It was agreed to between attorney Gary McMurray, his client, Julie Christofferson-Titchborne and the Church of Scientology.

EXHIBIT H

Client	Amount	Fee and Expenses
Christofferson-Titchborne	$100,000.00	To be determined by attorney McMurray and client. None of the attorneys representing other clients in the collective settlement represent or have represented Christofferson-Titchborne.

C. COLLECTIVE SETTLEMENT:

The following cases/clients are part of a collective settlement made on December 11, 1986. The undersigned acknowledge that the settlement set forth above in Paragraphs A and B were made as separate settlements, meaning that the cases/clients listed in Paragraphs A and B agreed to the amounts stated therein prior to the collective settlement as in Paragraph A, and independent from the collective settlement as in Paragraph B. The total amount of the collective settlement is $2,800,000.00. The total amount of the collective settlement and the prior independent settlements in Paragraphs A and B is $3,815,000.00. The collective settlement allocation is as follows:

Client	Amount	Fee and Expenses
(1) Nancy Dincalci	$ 7,500.00	None
(2) Kima Douglas	$ 7,500.00	None
[illegible]	[illegible]	[illegible]

[illegible]

EXHIBIT H

(3)	Robert Dardano	$ 15,000.00	None
(4)	Warren Friske	$ 15,000.00	None
(5)	William Franks	$ 40,000.00	None
(6)	Laurel Sullivan	$ 40,000.00	None
(7)	Edward Walters	$100,000.00	To be determined between client and attorneys
(8)	Howard Schomer	$200,000.00	To be determined between attorney Bunch and client
(9)	Martin Samuels	$500,000.00	To be determined between attorney McMurray and client
(10)	Gerald Armstrong v. Church of Scientology	$800,000.00	To be determined between attorney Bunch and client
(11)	Fees and expenses to attorneys Contos & Bunch, Robert Kilbourne, Michael Flynn, and associated counsel for the prosecution and defense of various cases including the "Hubbard documents" case, the "check-frame up" case and the defense of approximately 17 lawsuits against attorney Flynn and his clients.	$500,000.00	To be determined between attorneys Contos & Bunch, Michael Flynn, Robert Kilbourne, and associated counsel
(12)	Flynn v. Ingram (No. ____________)	$575,000.00	To be determined between attorney Flynn and his counsel
	Flynn v. Hubbard (No. ____________)	-0-	
		$2,800,000.00	

Exhibit

We, the undersigned, agree and acknowledge that (1) we have read the foregoing Settlement Agreement; (2) that we agree with the total settlement amount and the allocations to the respective cases/clients as set forth therein; (3) that we have either consulted, been advised to consult, or have had the opportunity to consult with attorneys other than Michael J. Flynn who, we acknowledge is also a claimant against the Church of Scientology and L. Ron Hubbard; (4) that we agree to maintain the confidentiality of this Settlement Agreement; (5) that we acknowledge that many of the cases/clients involved in this settlement have been in litigation against the Church of Scientology for more than six to seven years, that many have been subjected to intense, and prolonged harassment by the Church of Scientology throughout the litigation, and that the value of the respective claims stated therein is measured in part by the (a) length and degree of harassment; (b) length and degree of involvement in the litigation; (c) the individual nature of each respective claim in connection with either their involvement with the Church of Scientology as a member and/or as a litigant; (d) the unique value of each case/client based on a variety of things including, but not limited to, the current procedural posture of a case, specific facts unique to each case, and financial, emotional or consequential damage in each case; that we agree and

EXHIBIT H

acknowledge that Michael J. Flynn has primarily been responsible for bearing the cost of the litigation over a period of approximately seven years, that he or his firm's members have been required to defend approximately 17 lawsuits and/or civil/criminal contempt actions instituted by the Church of Scientology against him, his associates and clients, that he and his family have been subjected to intense and prolonged harassment, and that his claims against the Church of Scientology and L. Ron Hubbard, and his participation as an attorney have a unique value which is accurately and properly reflected in the allocations set forth herein.

NANCY RINCALCI DATE: Dec 5 1986

KIMA DOUGLAS DATE: Dec 5 - 1986

ROBERT DARDANO DATE: Dec - 30 - 1986

WARREN FRISKE DATE: ______

LAUREL SULLIVAN DATE: [illegible]

[illegible] D[illegible] [illegible]

Julie Christofferson Titchbourne [illegible] Dec. 6 1986

EXHIBIT H

Carol Garrity
Date: ____________________

Paul Garrity
Date: ____________________

WILLIAM FRANKS
DATE: [illegible]

Edward Walters
EDWARD WALTERS
DATE: December 7th 1986

Howard Schomer
HOWARD SCHOMER
DATE: 12-5-86

Martin Samuels
MARTIN SAMUELS
DATE: Dec 4 1986

GERALD ARMSTRONG
DATE: 12-6-86

MICHAEL J. FLYNN
DATE: ____________________

CONTOS & BUNCH
A PROFESSIONAL CORPORATION

BY: Julia Dragojevic
~~BRUCE M. BUNCH~~ JULIA DRAGOJEVIC
DATE: 12-10-86

Gary McMurray
GARY MC MURRAY
DATE: December 6, 1986

ROBERT KILBOURNE
DATE: ____________________

Jane Peterson
3:3:17
Date: ____________________

Richard Peterson
Date: ____________________

[illegible]
Date: [illegible]

EXHIBIT H

Marin Independent Journal, Wednesday, November 11, 1992

IJ photo/Frankie Frost

CASH CRITIC: Gerald Armstrong of San Anselmo reflects on how the world would be a better place without money

Is money the root of problems?

Critic of cash, credit urges monetary abolition

By Richard Polito

Independent Journal reporter

Gerald Armstrong has an idea for dealing with the national debt — write it off. Forget it. It doesn't exist.

It's that easy.

The novel prescription for fixing the fiscal fiasco is only part of Armstrong's larger message that money should be abolished. No more pay checks, no more loan payments, no more taxes, and forget that $20 you owed your brother-in-law.

Bank presidents would clean up litter. Donald Trump could get a real job. The Financial District would be a ghost town with marble lobbies — and lots of parking.

And it all starts today.

In a rare moment of realism, Armstrong admits today's deadline "is probably not going to be achieved."

Renouncing cash, credit

Armstrong, self-proclaimed founder of the Organization of United Renunciants, set the date for people who have taken his "pledge of renunciation" to stop using money. Fellow renunciants will renounce all cash and credit, stop taking money, stop paying with money, forgive all their debts and stop keeping financial records.

The critic of credit has already put his money where his doubts are. He gave it all away. And it was more than pocket change.

Armstrong won an $800,000 settlement in a harassment suit against the Church of Scientology six years ago. Once a member of the inner circle, he is now a vocal critic.

Armstrong doesn't expect everyone to buy in from the start, just "somewhere between 1 and 11 percent."

He's a tad short. Armstrong can count only a handful of friends as converts, but he is trying to get the word out. Detailed proposals have gone out to Bill Clinton, Ross Perot and Pete Wilson (no one has tapped him for an economic advisory post just yet.) He has also written to the New York Times and other mega-media.

Ted Koppel has not called.

Money considered valueless

Armstrong is not discouraged.

The monetary messiah insists there is much about daily life that will not change. People will still go to work, shop at the market and pick out a new car every few years. They just wouldn't exchange any money along the way.

Money, in Armstrong's eyes, has no value and the existence of money has created entire industries that do nothing more than transfer mythical essences of value from one account to another.

In Armstrong's cashless Utopia, there would be total employment because people could do jobs they wanted to do and companies could employ more workers because they would not have to pay them. Farmers would still farm. Autoworkers would still make cars. Sewer workers would still shovel sludge.

And Disneyland would no longer charge admission.

GERRY ARMSTRONG VIDEO INTERVIEW 6 NOVEMBER 1992

S = Spanky Taylor
G = Gerry Armstrong
J = Jerry Whitfield

S: We're here with Gerry Armstrong on the 6th of November 1992. Hi, Gerry.

G: Hi, Spanky.

S: Basically, what we're doing here is I want to find out a little bit about your Scientology experience, or, more than a little bit -- as much as we can, starting from when you got involved.

G: Ok.

S: So, tell me about that first.

G: I got involved in 1969 in Vancouver, British Columbia, Canada. And ... I spent a year and a half...

S: How old were you then?

G: Twenty-two. Spent about a year and a half in Vancouver. Worked in the local franchise, Scientology Little Mountain. And then in the beginning of '71 went off to save the world. Joined the Sea Org. Flew to LA. And was ... Signed my Sea Org contract at what was USLO. Then was on board the Bolivar, stationship down -- not exactly sure where it was...

S: San Pedro?

G: San Pedro, right. Then...

S: I loved the Bolivar.

G: And then by mid-February '71 was flown to New York, Madrid. Madrid took a train down to Algeciras. Algeciras across by ferry to Tangiers. There sitting in the Tangier harbor was the Apollo. I stayed on board except for brief missions off the ship or sometimes I'd go ashore for brief periods. But was on board 'til the fall of 1975. And we were, in those years, in Portugal, Morocco, Spain, and the little Atlantic islands -- Madeira, the Canarys, and then we made a circuit to the Caribbean islands -- Bermuda, Bahamas, Jamaica, Trinidad, Barbados, Netherlands Antilles.

S: Sounds like a Beach Boys saga. (Laughter) And you knew LRH?

G: Uh huh.

S: You married, your first marriage was... you married on Flag.

G: Yeah. I married his head messenger. Terry Gillham. Young Terry. She was a pretty good catch.

S: She was. She was.

G: I was organizationally a social climber. I really was. It just worked out that way, you know, I was in the right place at the right time I guess.

S: You had quite the wedding. I remember the photos very well.

G: Yeah? Yeah, I had a big double wedding along with Pat and Trudy Broeker.

S: That's right.

G: And through most of my time on board the ship I was the Legal Officer. We called it the Ship's Representative. I dealt with Immigration, Customs, and the Police and Harbor Master and handled all the needs of the ship while in port. And then I was the Public Relation's Officer Port Captain for a period of time. And then I was the Intelligence Officer through our time in the Caribbean. And when we went ashore, landed in Daytona, I was the Intelligence Officer again at the staging area for the Clearwater base which we had in Daytona at that time.

J: What's an Intelligence Officer?

G: Well...

S: It's a

G: ...they were talking about...

S: ... jumbo shrimp, what are those things called oxymorons?

G: Espionage. It's a Hubbard patterned -- his intelligence system, after Nazi system. Perfected, created, developed by Reinhardt Gehlen. And I was one person within a giant network of intelligence personnel operated by the Guardian's Office who were in turn operated by the Guardian, Mary Sue Hubbard, and L. Ron Hubbard. He merely directed on his long distance communication lines all the intelligence operations internationally.

J: What kind of intelligence operations -- we're talking about a church who has intelligence operations, a church with intelligence operations? Is that what you're saying? And you were there, you were involved in that? Is that what I'm hearing?

G: Right. Now I have a different perspective of course and I don't consider Scientology by any definition a "church" other than the fact that they have edifices -- buildings -- which could, if the activities therein were to change, could be churches. But the organization itself is not a church. But it's undeniable that it had intelligence organization and has been described as outside of the FBI and the CIA, the most formidable intelligence organization operating on the North American continent.

S: At this time, in the early times when you on the ship, you knew the offspring of L. Ron Hubbard. You knew his kids, as well?

G: Right.

S: Quentin and Diana, Arch and Suzette.

G: Right.

S: Tell me a little about them. I mean, you know, were they happy, were they well educated, were they ... because, of course, they were the offspring of this man with this tremendous wealth, did they receive the best of possible educations, did they lead a privileged life in terms of the...what was accessible to them in terms of in a society type of sense in terms of their education and their upbringing. Did they attend the finest finishing schools? Were they ... was Diana Hubbard a debutante. Do you know what I mean? Tell us about that.

G: I think she could have been a debutante but I don't think she was. I think that all the kids were pretty real in their own way, given the environment in which they found themselves and given the very odd circumstances of growing up in the Sea Organization. I suppose that the one I got closest to was Arthur. Arthur and I sort of ran tandem Sea Watch, or rather, gangway Quarter Master Watch for quite a period of time so I had the task of waking him up. He was pretty young at the time, maybe 13 or 14, I don't quite remember. It was always difficult waking him up and he would pull rank a little bit in that I didn't want to make too much noise waking him up in his cabin and there was always the threat that if you did anything out of line at all, Ron...

S: Son of Ron.

G: Son of Source.

S: Right, son of Source. Aauugh. That word.

G: But all of them, I was on Diana's Sea Watch and she was a good Conning Officer. I think that all of the kids were intelligent and I think that they were all decent, good people.

S: Happy? Unhappy?

G: I think both. You know, happy at times, unhappy at times.

S: Sort of normal then.

G: Pretty normal.

S: And Quentin?

G: Quentin, I think much the same thing. He probably was the oddest of the lot, relative to the Sea Org experience. But we got along fine. I always found him to be perhaps the most understanding, in a way, in almost as if he had ...

S: Sensitive?

G: Yeah, sensitive. compassionate. Didn't pull rank and wasn't threatening in any way.

S: So then you were at Daytona when the base was originally moved there.

G: Uh huh.

S: And from that point.

G: Then we moved to Dunedin. At that point I was busted from the Guardian's Office. I was in the Guardian's Office Intelligence Bureau. And Mary Sue or Nikki who was her communicator deemed me a security risk of some kind and so I was removed from the Guardian's Office and I was assigned to Hubbard's Communication Bureau. So I became what was called the Deputy LRH External Communications Aide when we moved to Dunedin which was in December of 1975 and we had a secret base for Hubbard and his personal staff and Mary Sue and her personal staff at Dunedin in an apartment complex I guess about maybe eight miles from Clearwater. And I stayed there until June of '76 at which time I was sent to Culver City here in Los Angeles to set up a staging area for what became the base that was built in La Quinta.

And I was only there for a brief amount of time. I was there to set up this unit along with three other messengers. And Hubbard arrived, Mary Sue Hubbard arrived, and then I had a fight with Nikki, and Hubbard then assigned me -- first I was taken out of that unit and I was kept locked up at the Intelligence Bureau in the Fifield Manor in Los Angeles.

J: You were locked up?

G: Right. I was kept under guard for a couple of weeks.

S: Which is where that Guardian's Office had moved to.

G: Right. The Intelligence Bureau of the G.O. was there. I was picked up by the D/Guardian for Intelligence Dick Weigand.

J: Isn't that falsely (sic) imprisonment. Isn't that illegal?

G: Yeah. It was clearly false imprisonment.

S: At this point do you feel much of what you had done had been illegal? On some level or another?

J: For Scientology.

G: Personally?

S: That you had done personally.

G: I clearly had been involved in some illegalities while... especially while I was on the ship. Smuggling things on and off and...

J: What kind of things? Money, drugs? Weapons?

G: We did move a lot of money around. Briefcases...

J: Go on.

G: Briefcases of money that were brought to the ship. Booze, cigarettes, that sort of stuff taken off the ship and run through Customs. And other things that were just done sort of borderline activities. But I was willing to do those sorts of things at that time and I considered that I was doing ...it was the greatest good for the greatest number.

S: When you were working in Intelligence did you ... were you involved with any "dirty tricks" against other Scientologists or other staff members?

G: I was aware of dirty tricks against staff members and I was aware of the way the Guardian's Office Intelligence Bureau worked to some degree because I had a lot of the policies. I had the Guardian's Office Intelligence hat, the Intelligence

Manual which trained people to lie and steal and create false identities and harrass the enemy.

J: Why would a church need to do that?

G: Well, a church doesn't need to do that, but Scientology's not a church.

J: Why would Scientology feel the need to be involved in that kind of activity?

G: Because Hubbard was afraid and his idea on dealing with enemies was to attack them. One of the ways that he attacked them was through covert means.

J: Why would a man as great as Hubbard who had THE technology to save the world, have to fear anyone?

G: Well, he didn't have the technology to save the world and he simply had fear because he had fear and he was never able to triumph over his fear, so he put his trust in attacking people as opposed to doing the rational things in life and he also had reason to fear because he had falsified his credentials, he had lied about his life and he was afraid of being exposed and he had also lied and cheated for many years. He knew that there were people around who knew what he really was.

S: Now how did you come to find this out?

J: Can I ask one question? Answer that but answer this one first because you've got me really interested. If Scientology could do what it says it could do, would you still be in it? If it had the technology to do what it says, would you still be in anything?

G: In answering that question you'd have to...if you assumed that if it could do what it says it could do it would have a different form from what it is, then the answer might be yes. But both things would have to be true. It would have to deliver and it would have to be different from its present form opposed from the form which I came to know and understand.

J: Thanks. That's what I wanted to know. Go ahead with Spanky. How did you find out this?

S: How did you come to know that in fact Hubbard had fabricated his credentials, had in fact developed this tremendous fear that he had of being found out, had this paranoia?

J: What credentials? What would he do when found out?

G: I guess the process of that discovery began when I first got involved with the Sea Organization. Of course I worked with the man for quite a period of time. I shot gnus with him in the desert after we left the ship. He twice assigned me to the RPF. I talked to many people about him. I read hundreds of thousands of his words. I listened to him and listened to his tapes so I had a great understanding before I ever came to the realization that what I'd been led to understand was false, but I needed that great understanding I think in order to know what the falsities were. But I was, I considered, quite fortunate in that in the beginning of 1980 and we then were in Gilman Hot Springs and there was a threat of a raid and we were required to go through...each person had to go through his...all papers in his area, whatever post he was on, and all personal papers, and destroy anything which showed Hubbard's control of the organization, anything which showed his intent to live at the Gilman Hot Springs' property, anything which showed his control of organization finances.

S: So now in January of '80 isn't that when, as far as the rest of the staff at the other organizations knew, L. Ron Hubbard went off the lines, so to speak, January '80 he was like... Did he in fact go off the line or was it just made to look like he went off the line at that point? Cause if what you're saying, if I'm following you correctly, do you know, there was this perception that he was now gone and had cut ties to the actual on-hands running of the organization.

G: Well, it's...part of that is true. There had been a gradual decrease, I would say, of his hands-on involvement, but even though he left from the location that he was at the beginning of 1980, he continued to run the organization. He just continued to run through a different conduit.

S: Now, so you went through the papers within your own specific area. Was this prior to your being assigned to the biography project?

G: No, this is what the biography project came out of. Because in the process of going through my things I was at that time responsible for the Household Unit at the Gilman Hot Springs property. One of my juniors was responsible for all of L. Ron Hubbard's stuff -- his personal effects which were stored at the Gilman property. She came to me with a box of very old materials, very old papers, and asked if they should be shredded. I looked through this stuff and saw that it all predated Dianetics so thought, it should be no risk whatsoever. It has nothing to do with his running the organization. So, I also saw that it had great historical value. And when we then began to look over inventories, began to go through his stuff we uncovered some 20 boxes of similar material. And I knew that this stuff, could form the basis for a library and was incredibly valuable for its history and just as original documents, and that it would form the basis for a biography. So, it was at that time that I petitioned Hubbard to be able to collect this stuff up to preserve it and to contract with an outside writer to do the biography.

He approved the petition in January '80. And then we communicated another couple of times before I then did not have what was that direct comm line to him, communication line. We could then no longer admit to a communication line to him. It still was there but we could not use it for fear of civil litigants or the government then being able to subpeona him.

S: As he was under a lot of legal threat.

G: Right.

S: Domestically, at that time, right?

G: Right.

J: Why would L. Ron Hubbard be under legal threat?

G: Because he controlled the organization.

J: What's wrong with that?

G: And because the organization was involved in criminal and tortious activities.

S: I think additionally the church had, was also under tremendous legal stress in terms of people who were filing suit against the church now for fraud. There were attempts made to name L. Ron Hubbard in a suit, to actually serve him or subpeona him which is when he sort of "poof."

G: Right.

S: Disappeared.

J: So he disappeared, he ran and hid.

G: Right.

J: So, hiding is pretty down on the tone scale.

S: So I hear, honey.

J: But that's what the great L. Ron Hubbard was doing. You were there and that's what you saw.

G: Yeah. I mean he did hide.

J: I'm not trying -- it's just very difficult, the reason I'm saying this, it's very difficult for somebody who's in Scientology to conceive that the great L. Ron Hubbard whom they've never met, but have only heard these wonderful things about, to even perceive or comprehend that this might have been ... might have occurred with this man. How can this man be human? He's not human. He was L. Ron Hubbard. The reason that we're doing this interview is so that other people can know. It's very easy for a non-Scientologist to understand those things. It's very difficult for a Scientologist because Scientologists don't get the type of information that non-Scientologists get. And yet you were there. You knew him. You worked with him for probably 15 years or so.

G: I was in the Sea Org for 11 years.

S: And Gerry, backing up a bit, you saw him as a fallible human being, am I correct?

G: Yeah.

S: I mean he had had illnesses.

G: Right.

S: A great many illnesses, a few illnesses?

G: Quite a few.

S: I know that he had these horrendous allergies which when we refer to them we would be heavily reprimanded and corrected and told they were not allergies they were sensitivities. (laughs) You know there was a brilliant way of sort of smoothing over things.

G: Right. Right. He continued to wear clothes when he was stark naked. Right.

S: Oh, yes. Yes, of course.

G: And we all did that in our own mind, and we all stopped ourselves from thinking critical thoughts of L. Ron Hubbard. We really didn't do him much of a favor because he really was human in every way.

S: Yes. Do you feel that the mindset of the group of -- all of the adoration that L. Ron Hubbard received, contributed to his delusion? Or do you feel that he imposed the delusion upon the group? Or do you think it's kind of 50/50?

G: There's no doubt that he was in control. And there's ... we did not control L. Ron Hubbard. And although he could have become the effect of his own lust for control, and his own greed and his own avarice, so he created his sycophants. And the effect of... often of what you create may not be that pleasant so he did create his own prison.

S: Ok. So now you contracted with Omar Garrison, am I correct, to do the writing of this book which you were researching?

G: Yeah, beginning in January, I collected up the materials from the Gilman Hot Springs property.

S: Several boxes of materials.

G: Right.

J: This was in '80 or '81?

G: '80, beginning of '80. And then shortly after that I moved them to Los Angeles and I began to add to them. I travelled around, travelled up and down the west coast and I bought collections, other people's collections of Hubbard materials. I interviewed a number of people, his other living relatives.

J: L. Ron Hubbard, Jr.?

G: Yeah.

J: His ex-wife?

S: Sarah Nordstrom. (sic)

G: No. No, I didn't talk to Sara. I talked to Sara after that project was over.

J: His daughter Alexis?

G: I spoke to her as well some time later. I spoke to his living aunt, living uncle.

J: That was his...

G: Yeah. It was good. Good. And they really saw him for what he was, as well. They knew him in a real manner. They knew that he was a big storyteller.

S: Now, at this time you're going around talking to these people and I presume verifying his various degrees and his education credentials, etc. And you're starting to see holes in these stories, right? At this point, it's still 1980, are you going, whoa. This guy's full of shit. Or are you going, oh, something's wrong here? Or -- I mean I know so many people within the church, despite the fact that these claims and the intros to these books and L. Ron Hubbard's past, you know, and he's been killed three times and come back to life and born of a Virgin Mother or whatever the hell it is, they consider that these things are factual. He was a war hero. He did have these degrees. And that the government with a conspiracy against Scientology has gone in an altered all this information. Do you know what I mean? It's like, to continue their own delusion of what was what.

Now, at this point in 1980 were you still buying the story or would you concerned, you know, in terms of the validity of any of that?

G: There were a couple of steps in the process. Initially, I just collected the documents. Then I began to see discrepancies. And although I saw discrepancies I continued to believe that what he was writing about himself and what he had been saying was the truth. And that the discrepancies could be explained in some manner. Additionally, if there are only a couple of discrepancies and they're minor discrepancies, who cares. But, through the process of the accumulation of the biographic archive, in my study of them, I began to see that it wasn't just a few isolated instances but, rather, that he had -- that lying had been his pattern and that that's what was true about him. What was true about him was that he was a liar and that he appeared to think that he could lie with impunity.

J: What lies did you see specifically that you could enumerate a few.

G: The ones which were significant to me were the ones I think which had been used to draw me into the organization and which had kept me in the organization for all that time, and they were not just used for that but used to create a mystic about him which you could not penetrate, could not question. It was significant ones. If he had been crippled and blinded during the 2nd World War. That he had cured himself with Dianetics. That it was a matter of medical record that he'd twice been pronounced dead. That he was a nuclear physicist. Those, to me, significant representations, I was able to show in his own documents, not the government's documents, but documents which he maintained in his own archive, that they were false.

J: Gerry, how did you feel when this came to light? I mean, you're a loyal Sea Org member. You have worked for the last ten years as a Sea Org member working night and day very hard, giving your all, complete dedication, sometimes 16, 18, 20 hours a day. How did you feel when you began to find these things out and they began to dawn on you that this man was a bigger liar than he was a purveyor a truth? This must have been the devastating thing to go through. You were loyal. There was probably no person any more loyal than you. You were one of the loyal Sea Org members.

G: Well, it was initially like I say, I just noted the discrepancies and carried on with my work. There came a time when my mind began to open. I began to see, and I began to question. That period of time was also a period of great confusion. There was also a period of time of some loneliness because there really was no one to talk to because I couldn't go to someone with a critical thought. I could not -- you could not talk and say the things that I had to say inside the organization.

Then there came a period of time in the fall of 1980. I actually had tried a couple of times. I'd gone to Laurel with some discrepancies, cause Laurel had been his public relations officer for many years. She knew the story. And I was saying, "Laurel, this isn't true. We can't say that." Well she got really angry at me and silenced me. So I learned to not say anything.

But there were a couple of points. One of them was contracting with Omar Garrison. And Garrison had a couple of very pro-Scientology books prior to my coming on the scene although he was not a Scientologist..

S: He was a huge ally of the church, in fact ...

G: He was a huge ally so again even with Garrison I couldn't just say, "Hey, Omar, you know, check this out. It's bullshit!"

S: I've connected the dots and it's scary.

G: Right. Now, it was a gradual thing with him, too. I would give him material and then we'd talk about it. Gradually I began to see that Omar understood, and Omar was an ally of mine, so we began to be able to talk freely. And that was another key to my getting out of the organization was... spending a lot of time with him, with his wife, travelling around the country in different situations outside the organization. And then going back into the organization and having that comparison all the time where you do, having the knowledge that I had, going into the organization and seeing the craziness inside and then going out of the organization and seeing that the representations the organization was making about the outside was another aspect of the big lie which was being run on us.

But, toward the end of my existence inside the organization, and also as I learned more I became, I guess, braver and braver and braver. You know, willing to stand up -- it didn't matter any more. You know, you want to kick me out of this organization? See you later.

But I was still there, still dedicated, so I developed something of a cause during my last few months inside the organization of attempting to get the organization -- and, of course, I knew it would get to Hubbard and it was sort of a challenge to him, but initially to get the organization to change what it was saying.

S: I remember that part very well.

G: And I critiqued a number of the dust jacket material and the "About the Author" sections of the various books, and we'd go through them and line by line say, "This isn't true, this isn't true." Here are the facts." This we don't know. We can't document that. It sounds like bullshit to me. And so, I did that with a number of pieces. And I think it actually had a good effect up to a certain point, because they did actually change them and tone down some of the hyperbole.

S: Now, didn't at that point you also feel -- this is per my recollection cause I was a PR at that time and worked pretty close with Laurel and -- didn't you feel that despite the fabrications and despite the inconsistencies that there was still value to Hubbard? I think I recalled something about, "Gerry said that we could still do a biography and just make it truthful and still..." -- because LRH had contributed so much, just do a truthful thing, and his contributions would stand on their own. You didn't need all this fabrication. And you sort of had platformed this campaign, right, where you went over like a pregnant polevaulter...

G: Right.

S: ...as I recall.

G: It really, I think, ran his accomplishments and the technology will have to stand on its own. If it's going to stand, it has to stand on its own. We can't hold it up with lies. That's the way I still feel about it and I think it has fallen on its own. I don't think that it's workable and I think that it's an enforced technology. But that's sometime later in my development.

S: Now, by this time, you and Terry were no longer married and you had remarried to Joyce Brown.

G: Right.

S: Was your relationship with your wife at this time, where you were very vulnerable and feeling alone, was that any solace to you?

G: Yeah. See, she came along in...

S: Another catch, dude. I mean she was such a doll-baby. She is such a doll-baby.

G: Yeah, she's a sweetheart. Initially, I'm working away on the biography project and she's up there in SMI, Scientology Missions International. And we connect. And you know what a Sea Org romance is like, you know. "Hey, gotta a weekend free, let's drive down to Tijuana and get married." You know it's that kind of a thing. I think I drove her down one week and got her a divorce and the next week got her -- married her, sort of.

But she was in much the same situation as I was, in, that, if you're free to talk to anyone inside the organization then, for one thing, the organization wouldn't be Scientology -- if people were free to talk it wouldn't be Scientology because that's the essence of Scientology is its lack of freedom. We at one point came to this realization that we could talk. So, just toward the end of our being inside the organization we formed something of a conspiracy of two. And so, knowing what we knew, and once I knew that I could talk to her and what she knew is she could talk to me, and we formed this little conspiracy...

J: It really wasn't a conspiracy though. It was open, honest communication.

S: Between a husband and wife.

G: Right, open and honest between us, but ....

S: But within the organization it would have been a conspiracy.

G: ...but conspiring to not let the organization know because they say you must talk open and freely to this sec checker but you can't talk open and freely to your spouse.

S: What?

G: That's the organizational paradonn. So we violated that because when it came to sec checking it was -- I mean she had to go through a sec check toward the end of our Sea Org experience and by that time, I mean, once you know that the whole thing is a scam, anybody can con a sec checker, because you have a certain altitude. Go ahead and ask a question. I don't care.

S: That's right.

G: You know, it doesn't read. There's no more belief in that meter. It's just a pack of garbage.

J: Are you saying that the E-Meter is not 100% effective?

G: The E-meter is at best a worthless, anti-religious artifact.

J: Thank you.

S: Don't sugarcoat it honey, give it to us straight, ok? I mean, you know, enough of this pussyfooting around stuff.

J: You feel pretty strongly about that, don't you Jerry?

S: Yeah.

G: No, it's ... irrelevant. It has no meaning. It has no value whatsoever.

J: I think the value that it has is the value that the person holding the cans has...

S: Infuses into it ...

J: Yeah, places upon it because of what he's been told or shown.

G: That's not the value. There may be some value in answering questions. There may be some value of looking into one's mind. And --

J: I agree with what you're saying. I don't disag.. I'm saying the value that it has to the organization, not to the person.

G: Oh, yes. It has the same kind of value that thumbscrews had in another era.

J: Yeah.

S: Now, Gerry, when you had all those documents and you had these boxes, did you not come across a lot of evidence in terms of not only inconsistencies in the fabrications that L. Ron Hubbard had presented to Scientology as a whole, but also things that made his past actually questionable in terms of maybe alcoholism or drug use or things that you came across that not only show him as someone who's made up these things, but showed a quite -- A man who was the antithesis of what had been presented.

G: Yeah. Yeah.

S: Tell us about that.

G: I began to see that his drug of choice in his later years were steroids. And he dosed himself with massive doses of testosterone and I remain convinced that that is what he used to keep an edge on his belligerence.

S: Interesting.

J: How did you come to find that out?

G: From his own writings.

J: Is there any way that we could look at those writings?

G: I don't know of any way of getting to them at this time.

J: Why? I know it's a simple question, but why?

G: Because the organization will not disgorge the true information which it has on Hubbard.

S: Do you think they've kept that information or do you think they've destroyed the information?

G: Both. So that there is certain aspects of what they've done and the criminal activity that they're involved in which they maintain and there're certain aspects of it which they destroy.

J: When you say the criminal activity they're involved in, do you think that the majority of Scientologists have any idea that that's going on?

S: The current Scientologists?

J: Yeah.

G: No.

S: Of course not.

J: Then?

G: When you talk about the majority -- the people at the top know.

J: Like David Miscavige and Norman Starkey and...

G: Yeah, and Gene Ingram? Sure. The people who control Scientology. And the lawyers. Oh, yeah, the Earle Cooleys of the world? Sure. They absolutely know that they're involved in criminal activity designed to destroy civil rights of the members of the organization and the lives of anyone they perceive as enemies.

J: Can you give me two examples of civil rights that Scientology has violated?

G: Freedom of association, freedom of speech, freedom of religion.

S: Just to name a few, honey.

J: Ok. Yeah. I mean, thanks because...

S: Gerry, keep going.

J: That sort of thing I think is important. Most people don't realize that that's what's going on. Most people have no idea that that's going on. Did you feel like you were manipulated while you were in there?

G: While I was in there I don't recall that the subject of manipulation crossed my mind. I don't think I could have allowed myself to think that I was being manipulated. But...

J: Did you ever feel that way?

G: I felt absolutely controlled. But my understanding of the manipulation, the coercion, comes later.

J: After one pulls back and views it from the outside.

G: Yeah, well, I mean, technically I was inside but I had really begun to deprogram myself and so...

J: Did you tie yourself up? I mean we all know about deprogrammings. You get tied up, and ...

S: ... sexually molest yourself.

J: Did you tie yourself up and sexually molest yourself?

G: Oh, I mean, deprogramming has to do with that subject of manipulation. While you're programmed you don't know that you are being manipulated. When you're deprogrammed you realize that you have been manipulated.

J: So in order to be deprogrammed, one has to be programmed.

G: Yeah.

J: Deprogramming doesn't work on somebody who hasn't been programmed.

G: I would think that's true.

J: Yeah. I would think so too. I would think so too.

G: Accepting the word and the definition.

J: When did you leave?

G: December '81.

J: Why?

G: It was time to go. (laughter)

J: Would you tell me a little bit more about that. I mean, I believe what you're saying but not everybody knows the Gerry Armstrong story. And I think a lot of people might be most interested.

G: Ok. Well, I came to the point I guess a couple of weeks prior to that and I had been very vocal on the subject of the lies, Hubbard's lies, the organization's lies and the organization's activities. And my vocalness had come to the attention of Norman Starkey. Norman Starkey at that time was on a mission operated by David Miscavige, the purpose of which was to take care of Hubbard's legal problems so that he could come out of hiding. And Starkey one day came into my area, Hubbard archives area, and we had a conversation. And he accused me of saying things about Hubbard which were untrue. And one of the things he said was, Hubbard -- he wanted, Starkey wanted, to charge the PRs through the ages with creating the lies which I have documented.

S: Well... now hadn't that happened to a large extent? Did Lizzie and Laurel -- for a period of time, I don't know what happened to the whole thing, but they took the fall that they had made it up and they had written these falsehoods about L. Ron Hubbard.

G: But they weren't around in 1950 and 1952 and 1965...

S: No, but they were the ones who -- they had written down the biographical information on L. Ron Hubbard, how it was dictated to them by L. Ron Hubbard, per my recollection.

G: But they were not there. If you look at -- what's the book on the atom bomb, the nuclear physicist's book -- "All About Radiation". If you look at that book and if you look at the bulletins that were written in that era it says, L. Ron Hubbard, a nuclear physicist. Lizzie wasn't there. Laurel wasn't there.

S: That's true. That's so true.

G: How can you say -- I mean, it's like one thing to make those people scape goats, but those people weren't there in '56. Laurel wasn't old enough to be there in '56. She was in our generation. I mean, you know, we're the 60's. We're the baby boomers.

S: Lizzie certainly wasn't there, either.

G: Anyway, what I did was show Starkey in Hubbard's handwriting where he had called himself a nuclear physicist and Starkey just went silent and he stormed out. And a short time later I was called down to Gilman Hot Springs.

J: Do you think he had a major ARC break?

G: No, I think that he recognized that everything that he had put his life into for so many years and had done so many rotten things and attacked so many people in defense of. That he saw that that hung in the balance and he had to go one way or another. So he chose to close his mind. And he wrote to the ... one of the executives of La Quinta ... Gilman Hot Springs and requested that I be sec checked.

J: This is the Golden Ere Studios, or Golden Era Studios.

G: Right, but at that time -- I'm not sure what it is now.

S: No, cause it's at Gilman's.

G: CMO headquarters...

S: This is at La Quinta.

G: No, this is Gilman.

S: Oh, this is Gilman, ok.

G: Yeah, this is -- CMO headquarters, in any case. And so I went -- I was called to Gilman and I spoke to Cirrus Slepp. And she asked me about -- she actually showed me Starkey's report on me. And I said that I -- you know I was quite open with her.

S: Now Starkey reported that you had fabricated this information?

G: No, Starkey reported that I was criticizing Hubbard and he wanted to find out what I had been saying and what documents I had been giving to Omar Garrison because I'm working closely with Garrison, and if I'm giving Garrison documents showing that L. Ron Hubbard claimed to be a nuclear physicist and L. Ron Hubbard lied about being a nuclear physicist and Starkey knew about many more lies...

J: The cat would be out of the bag.

G: Right. So he wanted -- they wanted to keep a lid on it. Cause his job, of course, is to continue the myth of L. Ron Hubbard. Starkey's put a whole life into doing that. He's dedicated to that illusion.

J: Starkey got into Scientology in the 60's in South Africa. So he's been in a long time, probably 30 years.

G: Yeah

J: That's a long time to put in. It's at that point 20 years.

G: Right. And he was in a position of power. And he liked those positions of power. And this is, of course, some kind of a threat. I mean, here's just some guy down there making all kinds of noise and essentially calling L. Ron Hubbard a liar.

J: You know, one of things that always... I'd always thought about in Scientology was the is-ness, as-is-ness, alter-is-ness and not-is-ness. It says in order for something to survive or continue there has to be a lie in it. And the question that always came to my mind -- the first question that always came to my mind is, for Scientology to continue it must have a lie because it says so right here. In order for anything to continue it has to have a lie. So I always wondered what the lie in Scientology was.

G: The lie is that is Hubbard's philosophy. Hubbard's philosophy is flawed. It is a corrupt, dishonest philosophy. And he was a corrupt and dishonest man.

J: You must hate his guts. You must hate his guts for a person who's ... for a person who's been loyal...

G: That which will survive is that which can never be altered. That which is altered and that which is hence unreal, that which is a lie, will not persist. Now you can try and Hubbard can try but you will not get lies to persist.

J: That's true because there's always some truth under there and they'll pull the truth out and it's fixed full of lies.

G: The truth will be there no matter what you do with it.

J: We need to go eat lunch, or dinner?

G: Oh, ok.

J: So I think that you have an appointment.

G: Yeah.

J: Before we do that, let me ask you two quick questions.

G: Ok.

J: You left in '81.

G: Right.

J: You were sued in '84.

G: '82.

J: '82.

S: Jerry?

J: It went to trial in '84.

G: Right.

S: We should just pick this up, because...

J: We will.

S: Ok, I just wanted ...

J: We will. But, I just want to get this on here. They lost the suit against you.

G: Right.

J: In '86.

S: Big time.

J: In '86. They sued you in '82. Went to trial in '84. In '86 they settled out of court with you.

G: Right.

J: For hundreds of thousands of dollars, if my sources are correct, and you don't need to verify ... or hints at all, if you can let us -- if you want to, it's fine. But there's no reason to give anything. If my sources have been correct you got $800,000. You -- Scientology paid you $800,000 because you knew the truth about L. Ron Hubbard. You knew the truth. And you have been harrassed and you've followed. You've been lied about. You've had people watch you 24 hours a day for weeks on end. You've had to go through extreme mental pressure today, yesterday, even. Gene Ingram says things to you like, "Gosh, Gerry, you look like you have AIDS," when in fact you're a very healthy person and you're a marathon runner. And it's...

G: Right.

J: Settlement aside, but, these other things are correct.

G: Right.

J: These guys are still harrassing you.

G: Right.

J: And you were a loyal, loyal, Sea Org member. Never in your wildest dreams did you think, when you got into Scientology, and you dedicated your life to this, if ever they had put you in this position.

G: Right.

J: Thanks. Can we continue this?

G: Yeah.

J: Thanks.

G: Thank you.

[RESUME TAPING]

S: Hi Gerry, you left in '81.

G: Right, December '81.

S: Can you tell me what led up to your departure from Scientology?

G: Sure. I had come to the conclusion at the end of '81 that the organization was not going to reform its ways, it was not going to correct the lies L. Ron Hubbard had told about himself. L. Ron Hubbard was not going to correct the lies he'd been telling about himself. The organization was not going to change its -- what I considered -- criminal and anti-social behavior. And I knew that my days were numbered, that I could not continue to be in the organization taking the stand that I had been taking, being vocal on the subject of Hubbard's lies. So I really was faced with only one choice to make and that was to leave. So, I carefully, cautiously, and over a period of a week or ten days removed my few belongings and my wife's few belongings out of the building and we cleaned our living space before we left. Left the few pieces of Sea Org uniform that I had, and we drove away.

S: I see. Now didn't you at this time do something rather brazen which is like -- didn't you keep some of the documentation for some period of time and send copies to the church or vice versa kept copies and sent stuff back to the church?

G: No.

S: No?

G: No, I didn't. I worked very diligently and my wife Joyce -- and Jocyln -- worked very diligently for the last couple of weeks copying whatever we could copy of the documents which I had in archives, many of which I had already copied and already provided to Omar Garrison, but I was dedicated to Garrison. I sensed, or knew, that whoever took over the biography project after I left, and I assumed that it was going to be Vaughn Young, because he'd been working with me on the project at that time and it was my expectation that he was going to take over the project, that the organization once I left would not allow Garrison the access to the materials that I had so my dedication to him, my dedication to the biography project and my dedication to the attempt to bring to light the truth brought me to copy everything I could, and what I couldn't copy and all the copies that I had remaining, I took to Garrison at the end. So I provided them to Garrison and then Joyce and I drove up to Canada. And at that time we were completely documentless. I did not have any documents. Didn't do anything with the documents for a period of time.

There came a time some months later because I began to work for Garrison outside the organization that I, at his request, copied a lot of the copies which I had given to him because he wanted to set up a separate archives because he felt that the organization was going to burglarize his place and steal the materials that I had provided to him.

So, that second set of materials was what I then provided to Mike Flynn, or sent to Mike Flynn, after I knew that the war with the organization had started, in the spring of 1982.

So, the organization's claim that I stole all these documents -- that's simply not true. I was under contract to provide the documents that I could to Garrison and I performed pursuant to that contract. It was only as a result of the organization's declaring me an enemy -- I knew that I was then fair game. I knew that the battle had been engaged. And I took it as what was the only sane thing to do. Anticipating a legal battle. In fact I was told to get a lawyer. I did.

I got Mike Flynn.

S: Okay. And so, then, how did it progress from that point, the legal battle?

G: Through the spring of '80 -- late spring of '82 and into the summer I provided sets of documents as I was able to get them from Garrison and copy them. I sent them to Mike Flynn. Some of the documents that I sent were some of the originals which I had provided to Garrison.

Some of the originals I provided to Garrison because he needed, or, we felt, that it was very good to have originals because he was considering including copies, photographs of the original documents in the biography, some of the things which were in Hubbard's handwriting and on the original paper would have been great included in the biography. So some of them he had for that reason. Some of them he had because I just didn't have time to copy them. It was our intention that Garrison would copy them and he'd provide -- give the originals back to the organization.

But some of the documents were originals, but most of them were copies which I provided to Flynn.

S: Now up to this point Mr. Garrison had been, as you'd stated before, an ally of the church. And Did he also -- was he becoming disillusioned with all this newly discovered information?

G: I think he was -- he wasn't probably as illusioned as I thought he was. He really was an intelligent man living on the outside of Scientology, and had provided as a writer a service for them in doing the books that he'd done. But he thought his own thoughts and he was independent of Scientology. And he is a -- he's a fighter in his own way, so he had already had his own battles with Scientology just to arrive at the products that he'd done.

So it came to him as really no surprise. And It was a surprise to me that it was no surprise to him. He was pretty real about the whole thing. But, he did begin to understand that he had possession of very sensitive documents and that the organization would then consider him, if not an enemy, certainly a major security threat in that he possessed these very sensitive documents.

S: Okay. So, you went to court. The Church filed suit against you, am I correct?

G: Yeah. August '82.

S: You countersued.

G: Right.

S: This was a big suit. I mean this was well covered in the LA Times. This was like a very big, visible suit. Can you tell me how that progressed and what the outcome was? And who all was involved?

G: Sure. They sued me in August of 1982 seeking to recover the documents which I had sent to Mike Flynn, and seeking damages. And the causes of action were conversion. They considered that my providing -- initially they claimed that my providing the documents to Omar Garrison was conversion because they did not know at that point that I had retained a copy of the contract to show that Garrison legitimately had the documents and that I legitimately had given Garrison the documents.

I defended the suit initially by stating that the documents were not the organization's documents but were L. Ron Hubbard's documents and L. Ron Hubbard should bring the lawsuit but L. Ron Hubbard would not come out of hiding, and he was afraid to come into court. So then Mary Sue Hubbard intervened on his behalf. And she claimed a proprietary interest in the documents.

That was the initial stage of the lawsuit. The judge in Superior Court -- I think it was Judge Coale, then ordered the documents which I had provided to Mike Flynn and to my other lawyers Contos and Bunch in Woodland Hills -- he ordered those documents be delivered to the court and they stayed within the possession of the court through the lawsuit, through the pendency of the lawsuit up until the time of settlement which was December 1986.

So, they initially sued me, and then I filed a counterclaim for the intentional infliction of emotional distress and for fraud. That then, the two cases were bifurcated -- they were split apart so that initially all that got tried at my trial, at the Breckenridge trial in the spring of 1984 was their lawsuit against me. And out of that came the famous Breckenridge decision in which he found that because of my knowledge of fair game, of organization intelligence operations and of the fraud of L. Ron Hubbard that I was justified in going to Garrison, getting the documents that I knew about and sending them to my lawyer. So ... That was the result of that trial.

My case against them...

S: Was that a jury trial?

G: No, judge trial. My case against them did not go to trial because that was settled. It was scheduled to go to trial. At one time in December of '86, then in early 1987. And in large part because it was scheduled to go to trial the organization settled it.

S: Now I know a lot of other executives at the time sort of -- I wouldn't say rallied around you, but, but, came to witness against the Church during this time.

G: Right.

S: And that was a big thing at the time, right, because these were some of the senior most executives of the church.

G: Uh huh. Laurel Sullivan who'd been Hubbard's public relations officer whose history went back with him through the Sea Org. Bill -- sorry, Bill Franks wasn't there. Homer Schomer. Eddie Walters.

S: Kima, didn't Kima..

G: Kima testified. Nancy Dincalci. So a number of them were, really my friends. People who I'd known inside the organization and outside the organization. A group of friends who were quite close to me and who had the courage to come forward and testify.

S: That's great. Now, your suit settled and -- bring us up to date to this point as well as how you feel retrospectively about the whole situation, what, you know, what would like to do now, are you under a gag order presently? Are you not?

G: I'll give you the history.

S: Ok.

G: So in, From 1984 after the Breckenridge decision there were a series of events -- operations that the organization mounted against me to compromise me, to set me up, to get me charged with false criminal charges, any number of things. The onslaught...

S: 1984, that was during the trial -- during your case or prior to your case or after your case?

G: They began before -- in 1982 they had PIs on me, I was assaulted, I was driven into. They tried to get me in a highway accident. They harrassed me day and night for well over a month. Then as a result of the court's comment about this kind of activity, they backed off. They kept up the legal onslaught and they deposed me in any number of cases and within my own case. And they ran operations against me. You okay?

S: Yeah.

G: But it was really after my trial in 1984 when they escalated the war. They sent around my friend Dan Sherman. You may know him. And I liked Dan. We were really close. And we hung out a lot. But the whole thing was an operation to get Dan close to me so that I could be set up. And what they tried to do through Dan was to convey to me the idea that there was a group of people inside the organization who wanted to reform it, who wanted to get rid of the criminal element at the top of the organization and have it revert to its pre-Guardian's Office, pre-criminal days. Get rid of the criminality.

S: Now, so at this point, were you supportive of that effort, on Danny's part?

G: Well, at first all it was was him telling me that there was this group of people and then he would send me messages from them. And then gradually I built up a relationship with them. These people claimed to be a core group of 35 people inside the organization who were working covertly because of their fear that should it become known that they wanted to reform the organization they said they were afraid for their lives.

S: So at this point despite everything you knew about Hubbard you must have had some faith in the technology of Scientology. Or am I wrong? Am I mistaken? I mean if you thought well we can restore this organization to its original intention to be, you know, this may be humanitarian group or maybe this ...

GA: No. No, it's more like downstairs here there could be any number of Catholics, Protestants, Jews or whatever, but I support the cause that they're involved in. It's that sort of way. I did not consider myself a Scientologist, but, if Scientologists want to continue to be Scientologists and at the same time clean up the criminal element in the organization I can support that without myself being a Scientologist. So I supported their intention of reforming the organization. And I didn't know who they were. I'd never spoken to them so it was sort of a support from a distance -- there was nothing to do. He was relaying this information to me.

Then they initiated a dialogue with me. They wanted to communicate with me. And they would send messages via Dan, the message that they really respected me for what I did, the integrity that I showed during the trial, and so on. I got a phone call one night from one of these guys just after the trial and just the day before I was to fly to London to testify in the child custody case, the one that Jolly West quoted from today, the Latey decision came out of that trial. I went over there and testified. Well the night before I received a telephone call from one of these people claiming to be one of the 35 Loyalists. And he said, "We can get your pc folders. We know you want your pc folders. We can get them for you." "Oh, ok. What do I have to do?" "Oh, well you'll have to drive to a certain place in Los Angeles..."

S: Griffith Park.

G: No, this was a different -- I never went, I never bit. I never rose to the bait on that occasion. I said, "Well, to me this could be construed as accepting stolen property and it also could be an attempt to get ... to stop me, because of the times that were involved, to stop me from flying to London, cause they did not want me testifying in the trial. I said, "As much as I'd like the pc folders I can't do it." In any case I flew to London and testified. There, in London, I was harrassed at Heathrow Airport by private investigators. And they, in fact, wrote sworn affidavits that I was observed passing sealed documents to a bearded Arab in the Old Cock Tavern, pardon me, on a particular Tuesday night. I had in fact been at the Old Cock Tavern for lunch on the day previous but I was not there now on a Tuesday night. And the whole thing was concocted, but that's true to form of Scientology, you know, manufacture evidence. So they ... a Scientology operative will swear to anything. The fact that it's a sworn affidavit doesn't mean anything. But it was just another piece of the ongoing operation to compromise and set me up.

I returned to the U.S. and then I was contacted by two people. One of them was David Kluge, who I only knew at that time as Joey. And the other one was Mike Rinder, who I'd known from inside the organization in the Sea Org. And both of them -- and all of this was video taped, illegally, covertly, by Gene Ingram. And I didn't know at the time and I talked to them like I ...

S: This was the meeting in the park.

G: Right.

S: The famous meeting in the park.

G: Right. And there were a series of meetings in the park but I talked to them like I talk to you and I -- you know my language was atrocious. I made bad jokes. Just rotten. I had a foul mouth at the time. But I was also -- you know, I mean, I could pick up that there was something weird going on because what they would tell me off camera seemed to be so different from the questions that they're now we're sitting on a park bench and they're talking to me. And I'm ... was completely open about the whole thing, but I also knew that there was something weird about it so a lot of what I'm saying on the video tape reflects that aspect of the thoughts that are going through my mind about how strange this is.

But there are some really funny things that occurred. If you've never seen the videos, they're very, very funny.

S: You know, I on't know, Gerry, that the videos were ever shown. What I do know is that a transcript of these meetings was published in Freedom News Journal.

G: Right. A part, part of it.

S: In part. But it was very interestingly written because it would say -- it would have a quote and it might be a sentence, and then it would say, "And then he said..." and the rest was all just like editorialized, "And then he said this and this and de-de-de-de-de-de-de-de-de." And then there'll be another quote. And I thought, "Well, if he said these things why didn't you just publish the dialogue? Why are you giving me your interpretation of what he actually said?"

J: True to form.

S: Of course. It amused me. I was still involved in Scientology. Still a believer. I saw this. I have to tell you, this shook me, cause I went, "This is nuts." Who could ever believe this article? And I was truly, truly committed to the organization at this point. But it really made me go, "Please, this so discredits them. Why would they do this this way?"

G: When they first broke the videos in 1985 up in the Christofferson trial, before they were shown to the jury the judge viewed the first two videos. And he viewed them in his chambers, then he came back out and he said, "These are very damaging, damaging to the church." Right. And they polled the jury after the trial. And they said that the video tapes of me only proved one thing. And that was that fair game was alive and well in 1985.

So, the Scientologists are so blinded. Here's the way I think it went down. People are reporting to Hubbard through this time that they have an intelligence connection to Armstrong. And Hubbard hates Armstrong, you know, cause I've been saying all these things. And they've been telling him that I took the documents.

S: Pull back the curtain.

G: I mean, out of what I did came the Breckenridge decision which stated, "This guy is a paranoid, schizophrenic." I mean just the worst thing that he ever wanted to hear. But true.

But they -- the organization could never tell Hubbard the truth. And Hubbard could never hear the truth, so there's a perfect situation there for Hubbard to get partial truth and it always happened inside the organization, then he would issue an order. He would issue an order, in this case, like, "Get that into evidence. That'll destroy Armstrong." Because they're telling him, "We've got video tapes of Armstrong saying 'this,' and of course, they take one line out of context." But that's the big win that they want to convey uplines to Hubbard.

And of course, Hubbard doesn't get the whole picture, but now he has issued an order. And now they have to jump through the hoops to get those video tapes -- illegally taken, and the judge stated up in Oregon, these things are illegal. But they fought to get them in. And after the judge said they're damaging against the church, does anyone care? I had to go through the incredible embarrassment of my foul mouth, and I didn't know, you know, did I pick my nose, you know -- how did I? You know there's four hours of video tape I was just -- I was a total jerk.

S: (Laughter)

G: But I understood after a while I really -- it was terrible to me. Up in the Christofferson trial. When I knew that my friend, Dan Sherman had set me up, that the whole thing was a set-up, that they'd video-taped all of this stuff, the betrayal was so awful to me. I was suicidal for just days. I walked out of the courtroom. The judge got rid of the jury, sent everyone home, and he was busy watching these things in there. And I'm sitting, I'm alone out there in the courtroom for an hour and then someone, one of the Scinos' lawyers walked in and made some complaint about me even staying in the courtroom and so I walked outside.

And we were on the third floor of the courthouse. And there was, you know, the stairs came up like this onto the third floor and then they went around like that so there were two places where you could look down three floors onto the marble floor below. It looked just hard enough that it would do the job, just smack! I really considered it for a long time. I walked over to the railing of one of these areas and I looked down, and I was just contemplating just ending it right there. Then I realized that down below was a set of pay phones and that, you know, someone crossed over there to the payphone and I realized, you know, here I go to end it all and I take some innocent guy out walking to the payphones, so I couldn't do that so I walked over to the other one, thinking well, you know, here's an opportunity. And there was a bank of Coke machines. And so, you know, just out to save some other poor guy, I didn't take my own life at the time.

But it was horrible. I just ... I came just so close. And I... My heart -- there was incredible pain. One night I just couldn't sleep and there was this pain and I just couldn't breathe. Awful! It went on for some days over a weekend and then into the next week. I think they had me on the stand for 10 days, 7 or 8 of which were cross-examination with the great Earle the pearl Cooley. Anyway ...

So that's what happened in 1985 and they just continued after that. Then they culled my pc folders. And they sent all the most scurrilous stuff out of my pc folders. And they put that ... filed the stuff in my case in LA Superior Court.

S: Well, you had to have of known that that was going to happen.

G: Well, I mean, you get a sense but you really can't believe it until you see it. And then you can't believe the twists that they and their lawyers put on it. You know and there was this dream I had. I had a dream up in Portland in '85 and I sent it... I've had very few memorable dreams in my life and only one or two of them have I ever written down. And this one was so vivid and so memorable that I wrote it down. And I wrote it, I think, very concisely. It was some of my very best literature because it is really tight and really good. It's also really foul. The language and the concepts are just grotesque. But it was a great dream. And I sent it to Dan Sherman because he's my literary buddy. It ends up the Scinos get it and they got that! And they want to put that into evidence in the ... the Christofferson trial!

That one, that one followed me this last year it showed up in Johannesburg in South Africa. The organization provided it to their lawyers over there to attack me with. A dream! And they twisted that -- that the fact that I had a dream was the proof of what a perverse, distorted guy I was. Anyway...

So, there was a series of things. When I first arrived in Boston, in September of '85, well October '85, they brought criminal, they attempted to bring criminal charges against me with the FBI for impersonating an FBI officer. Five times they brought either flat out criminal, or quasi-criminal contempt charges against me. And they tried the same thing in Marin County.

S: Gerry, let me stop you here for a minute. What motivates you. I mean, why on earth wouldn't you say, "I did this. I messed up. I made a wrong choice. I'm just going to go away now. And have my life and just ... you know, I have my wife and I have our birds or..." whatever you guys had at the time. I don't remember. I used to get Christmas cards from you guys -- I think you had birds or cats or something.

G: Yeah! We had birds. That little guy could talk.

S: Nicky?

G: Mikey.

S: Mikey.

G: Right!

S: That's right.

G: Anyway, there was a period of time, December '86. It was the time of the settlement. And we'll get back to the settlement in a minute.

I felt that I really could get on with my life. And I could do a number of other things. I began to, I mean I'd always written, but I wrote seriously. I drew seriously. I spent a lot of time doing my things. I had my own life. And I maintained communication with my friends you know, who I did not disconnect as a result of the settlement. The organization may have felt that I should have or had to or that I was contracted to but I didn't do that. But I really had my own life and I wasn't involved in anyone's litigation. And I didn't have to do anything about them for a period of time.

But the organization couldn't quit. They couldn't let the Breckenridge decision stand. They couldn't let my image stand, whatever I represented to them so they continued their attack. They continued in a false -- what they call a Dead Agent pack that they put out against Bent Corydon in 1987. They did it in the Russell Miller case, in London in 1987. They filed 8 absolutely false, scurrilous affidavits regarding me, specific to me in that case.

S: And this was post-settlement agreement.

G: Post-settlement agreement. Gene Ingram provided an edited version of the video tapes -- the illegal video tapes to the London Sunday Times.

S: Now let me ask you something? In this settlement agreement, does it clearly state that this was not allowed? In the settlement agreement? I mean, were they thus in violation of the settlement agreement?

G: In my opinion, yes! Because the settlement agreement, unless it worked two ways, didn't work at all. But if it was only one-way, then they relieved me of any duty to perform by their doing that. In other words, they cannot -- if the settlement agreement is only a lop-sided, one-sided settlement agreement, that's fine! I honor it and I'm silent. And I don't do anything to violate it. Then everything works fine as long as they don't. But as soon as they, in a new, as they would say, unit of time do something, I clearly have the constitutional right to respond and speak out. They waived the right. They had to remain silent whether it said they had to remain silent or not. Additionally --

S: Did it say? That they did? I mean, was it one of those agreements that Okay, we're just going to both let by-gones be by-gones?

G: That's exactly the words in it, yes! Anyone would interpret it that way. And anyone did. But they interpret it by saying --

S: You should let bygones be bygones and get over it but they didn't have to.

G: Not only that! That they have a right to say whatever they want and I must remain silent even if they can say that I was an ax murderer. And I must remain silent? It doesn't work. But not only that, I realized that my silence was in fact an obstruction of justice. Because all of those people who depended on my testimony, and I have great testimony regarding the fraud of Scientology, was vital to anyone who'd been defrauded by Scientology. So I felt that I really have a right and a duty now to stand up to the organization. I did not --

S: So you were feeling like you were getting over it and you wanted to leave it alone and you wanted to get ahold of your life, for a period of time until they began to lash out at you, at which point you said, "Hey, I don't need to lay down, for you to run over me."

G: Well, there was a series of -- even though they published the Corydon Dead Agent pack, even though they published the material in the Russell Miller case in 1987, shortly after the settlement agreement, I didn't do anything. And I didn't do anything until I got a series of telephone calls from Larry Heller, organization attorney threatening me with law -- with being sued if I were to even testify pursuant to a subpoena. So I knew at this point, "This has gone too far." And what happened was I was subpoena'd to testify in a deposition in the Bent Corydon case. Toby Plevin subpoenaed me. Now I had maintained some communication with Bent because he is my friend. I had not assisted him in any way in his litigation because I had agreed not to do that but I knew that if he subpoenaed me, that that was senior to whatever settlement agreement existed.

Another aspect of the settlement agreement that you should know, was that I was told before signing it by my lawyer, Mike Flynn, that it was "not worth the paper it's printed on. You do not have to obey this. It cannot be enforced." So I signed in large part because Mike Flynn said that.

Now, in addition to that, Mike Flynn had told me through time -- and I had grown to understand that 1) the organization had attempted to assassinate him 2) it had destroyed his marriage and 3) he had to get out of the litigation for those reasons. So I was faced with, if I don't sign, then all of these other people don't get to settle, my lawyer can't get out of the litigation, it's going to go on forever, and in addition to that, I've been told by my own lawyer it's unenforceable, it's not worth the paper it's printed on. So sure, I'll go ahead and sign this thing and I will even attempt to honor it knowing that the only hope for a settlement with that organization is if they do change their spots if they do indeed turn over a new leaf, and if they do indeed repudiate fair game. They haven't done it. Hence we now are again locked in battle.

S: Now what is your present litigation with the Church of Scientology?

G: They brought a lawsuit to attempt to enforce the settlement agreement. Out of it ... in May of this last year, there was a hearing here in Los Angeles, in Superior Court, in front of Judge Sohigian. The organization claims that they got a great big win out of it and that I am enjoined pursuant to the settlement agreement. Not true! Judge specifically said that he would not enforce the settlement agreement other than one very narrow issue. The very narrow issue is that I cannot except pursuant to a subpoena, assist someone intending to file a claim or pressing a claim against the organization. Now that we are appealing even that narrow ruling, because that's unenforceable because if you construe that my... that this video could possibly indirectly help someone in the future, I can't do this. And not only that but if you consider that my existence indirectly or directly helps someone, then I am obliged to take my own life. In other words then I must stop breathing. It's unenforceable hence I feel that I am completely at liberty to associate with whomever I want, to talk to whomever I want, and I act in life that way.

And that is in part why I am here at this event now, why I came to the CAN Conference.

S: OK, so what are your further plans? I mean, you're doing great, now. You've got this luxurious long hair.

G: I want to run a 236 marathon.

S: 236 what? 236 yards?

G: 2 hour and 36 minutes marathon. And I want to..

S: That's what you do, you run.

G: I run. So I want to do that. And I want to end the litigation and I want, you know, peace for everyone. I want to reform the economic system of the world and that's mainly it. I don't have any designs on the U.S. presidency.

S: Presently.

G: No, I can't have, I'm Canadian.

S: Oh, That's right.

G: OK are we done here?

End of Tape.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

---oOo---

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation,

Plaintiff,

vs.

GERALD ARMSTRONG; DOES 1 through 25, inclusive,

Defendants.

CERTIFIED COPY

Case No. BC 052395

DEPOSITION OF

GERALD ARMSTRONG

VOLUME V

PAGES 525 - 624

WEDNESDAY, MARCH 10, 1993

REPORTED BY: LYNN P. NYLUND, CSR NO. 3696

Mary Hillabrand, Inc.
520 Sutter Street
San Francisco, CA 94102

A. Just broadly by pursuing the litigation against your organization.

Q. By defending this lawsuit you have been providing assistance to CAN?

A. I think it will ultimately come to that.

Q. Did you make a videotape in November of 1992, Mr. Armstrong?

A. Yes.

Q. On that videotape did you discuss in detail your alleged experiences with the Church of Scientology?

A. No.

Q. Did you discuss any of your experiences in Scientology on that videotape?

A. Yes.

Q. Were you interviewed on that videotape by Sparky Taylor?

A. Yes.

Q. And by Jerry Whitfield?

A. Yes.

Q. Do you have a copy of that videotape?

A. Yes.

Q. Who else has a copy of that videotape?

A. I don't know.

Q. Does Mr. Whitfield?

A. I don't know.

Q. Did he have a copy of the videotape after it was made?

A. Yes.

Q. But you don't know if he still has it?

A. Correct.

Q. Did he have just one copy after it was made or more than one?

A. I don't know.

Q. Whose idea was it to make the videotape?

A. I don't know.

Q. Did someone else ask you to make the videotape?

A. Yes.

Q. Who was that?

A. Mr. Whitfield.

Q. When did he ask you to make the videotape?

A. During one of the days of the CAN conference.

MR. GREENE: For the record CAN stands for Cult Awareness Network; is that right?

THE WITNESS: Right.

MS. BARTILSON: Q. This is in November of 1992?

A. Yes.

Q. Did Mr. Whitfield describe to you what he wanted to put on the videotape?

A. Not in detail.

Q. Where did you make the videotape?

A. In the hotel in which the CAN conference occurred.

Q. Who was present when you made the videotape?

A. Jerry Whitfield, Sparky Taylor and someone else. They're at least part of the time, and I don't recall who, and I am not sure if other people came and went; but it was generally Jerry and Sparky.

Q. Was Hannah Whitfield present?

A. She may have been there. I have no present recollection.

Q. Who operated the camera?

A. I believe Jerry.

Q. After December 22nd, 1992, did you initiate any speaking or media events?

A. Yes.

Q. How many?

MR. GREENE: Wait a minute. I am going to object to this line of questioning. I don't believe this is in the scope of Judge Horowitz's order.

MS. BARTILSON: Well, since we litigated over Judge Horowitz's order, we have had your client making all these threats concerning proposed violations

Scientology in the Schools

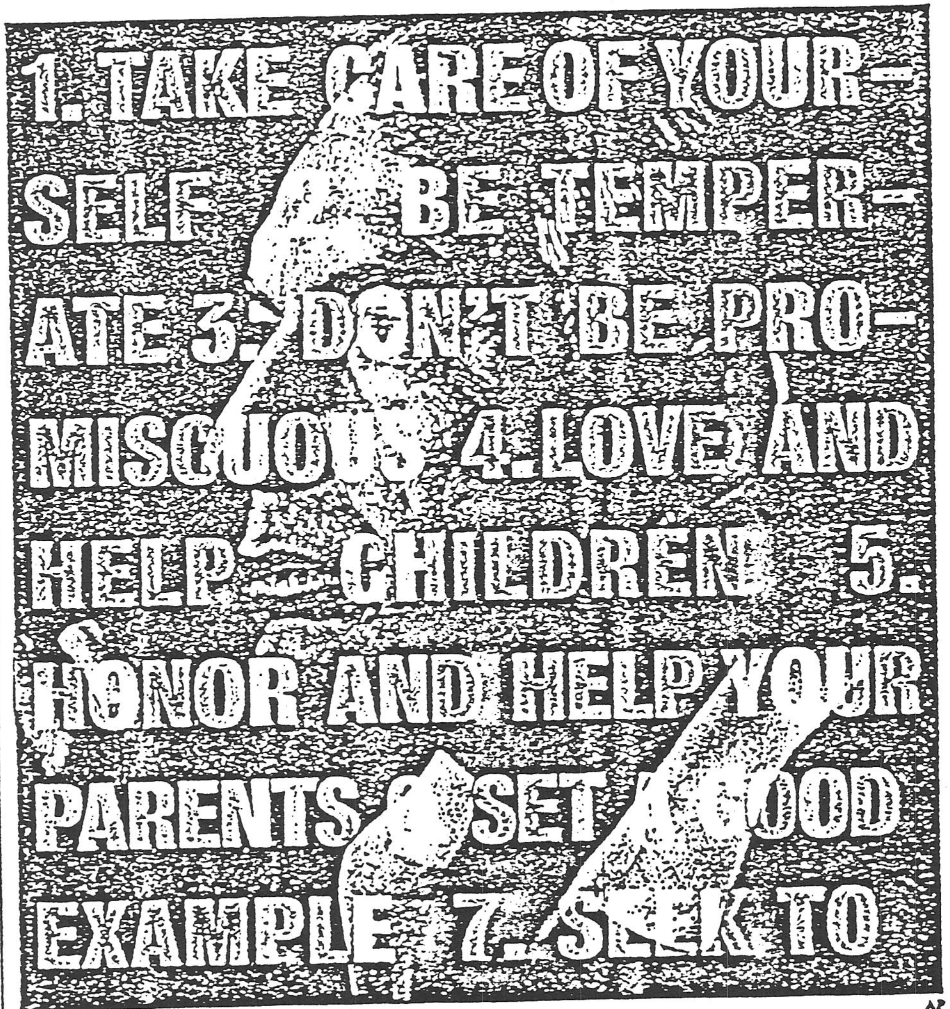
Is L. Ron Hubbard's morals text harmless?

BY KENNETH L. WOODWARD AND CHARLES FLEMING

When Carol Burgeson received a copy of "The Way to Happiness" in the mail 13 months ago, she read it through and decided it was the perfect nonreligious vehicle for teaching moral values to her senior students at Thornton Township High School in Harvey, Ill. So Burgeson ordered more free copies of the book by L. Ron Hubbard and used them to stimulate discussions in her classes. "It seemed so harmless," she says. "Brush your teeth, do your work, don't be tardy—what's wrong with that?"

Nothing. But she was more than a little surprised to discover that the late Hubbard, who is identified in the pamphlets by name only, was the founder of the Church of Scientology, and that the pamphlets are distributed by a foundation tied closely to his controversial religion. She's not alone. With little fanfare, Hubbard's text has found its way into the nation's schools. According to the Scientologists, 8,300 public-school teachers and administrators have used the morality text since it was first published in 1981. Altogether, church officials estimate, 6.8 million pupils in 7,000 U.S. schools have studied Hubbard's moral principles; internationally, more than 34 million copies in 17 different translations have been distributed—sometimes, say Scientologists, by major corporations. "That book," says the Rev. Heber Jentzsch, president of the Church of Scientology International, "has probably had more popularity than anything Mr. Hubbard has written."

The need for books on values has long been recognized by public-school educators. Strapped for cash and under pressure from parents to deliver a values-oriented education, many teachers and administrators welcome any text that promises—as Hubbard's does—to deliver sound moral principles on a "nonreligious" basis. But when NEWSWEEK checked with public-school educators who received the text, some said that they had been misled. In Brooklyn, N.Y., Lawrence Herstik, principal of PS 238, initially welcomed "The Way to Happiness" as "a values-oriented book about righteousness and peace." But he stopped using the text after he discerned "an undercurrent of a religious nature." In Bellflower, Calif., Jeanie Cash, principal of the Frank E. Woodruff Elementary School, ordered copies of the Hubbard book but refused to put them into her classrooms when she discovered that they came from the Church of Scientology. "They sent a brochure saying it was a self-esteem program," says Cash. "I feel that I was deceived. We feel very strongly about the separation of church and state."


1. TAKE CARE OF YOURSELF 2. BE TEMPERATE 3. DON'T BE PROMISCUOUS 4. LOVE AND HELP CHILDREN 5. HONOR AND HELP YOUR PARENTS 6. SET A GOOD EXAMPLE 7. SEEK TO
AP

'Way to Happiness': *Hubbard's 'secular' text*

Since "The Way to Happiness" claims that it is "not part of any church doctrine," Scientology officials insist that its use by public schools poses no problems. Hubbard wrote it in 1980, they report, the year the U.S. Supreme Court ruled that public schools in Kentucky could not display the Ten Commandments in the classroom. Like Scientology itself, says president Jentzsch, the book merely teaches "common sense." However, the volume is published by Bridge Publications, the church's own publishing house, and promoted through The Way to Happiness Foundation, one of several independent corporations designed to propagate Hubbard's thought.

All of these putatively "secular" organizations are coordinated by the Association for Better Living and Education (ABLE), which is an organ of the church. The "Way to Happiness" book is itself part of Hubbard's extensive philosophical and religious writings, which for Scientologists, says Jentzsch, "are the same as the Bible is for Christians and the Koran is for Muslims." What makes "The Way" acceptable for public-school use, Jentzsch argues, is that students who read the book do not have to follow Hubbard's moral principles, while members of the Church of Scientology must.

On the surface, there is little in the book that would trouble any educator who believes in cleanliness, honesty, integrity and tolerance. Among Hubbard's 21 moral principles is this curiously relaxed restatement of the golden rule: "Try not to do things to others that you would not like them to do to you."

But Hubbard's catechism is also studded with jarring axioms. It declares, for example, that "the way to happiness does not include murdering your friends, your family or yourself being murdered."

More important, anyone familiar with Scientology will find that the text uses key words and concepts taken directly from Scientology's religious lexicon. For instance, Scientology teaches that the fundamental point of life is "survival," and that only those who become the "cause" of their own actions can be truly happy. This is also a major theme of "The Way to Happiness." More significant, Scientology teaches that the truth is "what is true for you." This relativistic view is repeated with emphasis in the book. On the other hand, the text is silent about most of Scientology's central tenets: for example, its belief that people suffer from evil deeds done in past lives that the church's ministers can correct through expensive counseling courses, and its adamant opposition to psychiatry.

Front group? Critics of Scientology, including some former officials, argue that "The Way to Happiness" is primarily a recruiting tool for the church. According to Vicki Azmaran, who once served as inspector general of the Religious Technology Center, the church's highest ecclesiastical organization, The Way to Happiness Foundation is "a front group to get people into Scientology" and the book is designed "to make Scientology palatable to the masses." Another former church member, Gerald Armstrong, claims that Hubbard wanted "rich Scientologists to buy huge quantities of this book for distribution. He wanted to go down in history as a scientist or a philosopher or both." Both Azmaran, who runs a private detective agency in Dallas, and Armstrong, who works for an anti-Scientologist attorney in San Francisco, are currently locked in prolonged and bitter litigation with the church over a variety of claims.

Church officials strongly deny that "The Way to Happiness" is a lure to attract potential converts. Still, the church is anxious to broaden its appeal by promoting Hubbard's various "technologies" for combating drugs, reforming criminals, teaching morality and learning how to study—and doing it through its sundry satellites: Narconon, Criminon, Applied Scholastics and The Way to Happiness Foundation. The church's encyclopedic reference text, "What Is Scientology?", claims that 23 corporate giants have used Hubbard's study technology. Yet a check of three of them—Mobil Oil, General Motors and Lancôme—brought denials of any corporate involvement with the church. But if the nation's public schools are any measure, Hubbard's tracts will continue to turn up in the most surprising places. ■

EDUCATION

Martyrs for Multiculturalism

Courses that students at UCLA might die for

For 20 years, the University of California, Los Angeles, has offered courses about Chicano culture and history. But last April, on the eve of the funeral of Cesar Chavez, the farm workers' union leader, officials announced that they would not create a special department devoted to Chicano studies—instead they pledged to improve the existing program. Since then, the campus has reverted to '60s-style protests. Students—mostly Chicanos—took over a faculty center, then trashed it. City police arrested 99 demonstrators. And now, on the lawn outside the administration building, nine demonstrators have taken a page from the Chavez manual, pledging to fast until a department is created—or they die.

Chicano Studies
THERE'S A HO
IN OUR CURRICU
ETHNIC / GENDER

LESTER SLOAN—NEWSWEEK

A fight to the death: *Protesters at UCLA*

Is this a cause worth dying for? "We are risking our lives to save lives," says hunger striker Jorge Mancillas, assistant professor of biology at UCLA's medical school. More academic attention, he thinks, will eventually pay off in a more prosperous, stronger Chicano community. But UCLA does not have separate departments for any special-interest group. Asians, blacks and women have all had to content themselves with interdisciplinary majors taught by professors from traditional academic departments. That arrangement is unsatisfactory, say the demonstrators, because faculty members have little time or encouragement to concentrate on ethnic studies. Their solution: full academic status for Chicano studies. "We cannot continue to the next necessary step without departments," says Luis Torres, an English- and Chicano-studies professor at the University of Southern Colorado who also heads the National Association of Chicano Studies. (About 17 percent of UCLA's 23,000 students are Chicano; many have not joined the campus demonstrations.)

UCLA administrators insist that a field like Chicano studies—touching on history, sociology, literature, feminism and other disciplines—is best left as an interdisciplinary program. That structure encourages the flow of ideas among Chicano-studies faculty and other specialists. Creating separate departments, says UCLA Provost Herbert Morris, encourages a "Balkanization" that the university wants to avoid. "We need the ethnic perspectives to pervade all the departments," says Morris, who does agree that the Chicano program needed improvement.

Chancellor Charles E. Young offered to take several important steps to bolster the Chicano-studies program. First, all ethnic- and gender-studies programs would be exempt from funding cuts for two years—a critical gesture because the UC system is strapped for cash. Second, new faculty would be appointed jointly to Chicano studies and an existing department—history, say, or languages. Also, Young insists that this year's decision need not be the final one. He suggests that the idea of a full-fledged department can be re-examined in a few years. Seeking an end to the demonstrations last week, university officials offered even more funding and more faculty for the program. So far, the protesters have rejected his offers—as well as food. In a state where minorities now account for nearly half of the student body at some public universities—and sometimes more—the bitter conflict at UCLA will not be the last.

CONNIE LESLIE *with* ANDREW MURR *at UCLA*

SUPERIOR COURT FOR THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

---oOo---

CHURCH OF SCIENTOLOGY
INTERNATIONAL, a California
not-for-profit religious
corporation,
Plaintiff,
v.
No. BC-052395

GERALD ARMSTRONG, THE GERALD
ARMSTRONG CORPORATION, a
California corporation, DOES 1
through 25, inclusive,
Defendants.
-------------------------------------/
and related cross actions.
-------------------------------------/

DEPOSITION OF GERALD ARMSTRONG

Volume VI - Pages 625 through 752

THURSDAY, AUGUST 18, 1994

REPORTED BY: SUSAN M. LYON, CSR #5829

Q. Did you understand this person Baker or not to be a reporter from Village Voice?

A. I don't know what capacity he was acting in when he called. I just don't know.

Regarding The Village Voice, I had understood that at some time he had done a story which had appeared in The Village Voice and was somehow related to Scientology. So that's -- I don't know if what he was doing in the more recent past was for The Village Voice or something else because he -- it was like a relay of communications. I took a telephone call to the office and don't know beyond that, did not discuss any history with him or even his story.

Q. Did this person speak to you about your experiences with the Church of Scientology?

A. No.

Q. Between March of 1993 and the present did you speak with anybody working for E-TV or Entertainment Television?

A. Yes.

Q. We can discuss that later, but was there a reason that you did not include that in the list of media that you have spoken with during the time period that I've been asking you about?

A. Just didn't come to mind.

Q. Um-hum. And what about Newsweek magazine?

A. Newsweek, you know, I thought of that and I wasn't sure if it was within the dates, but I think it is, so it's --

Q. All right. Well, because of these new recollections, I've got to ask you again.

Thinking as hard as you can about this, have you omitted any person or persons or publication or media outlet, television or radio or otherwise, with whom you've had contact regarding the Church of Scientology between March of 1993 and the present other than those that you have mentioned to this moment?

A. I may have, but there isn't anything that comes to mind.

Q. Between March of 1993 and the present, have you spoken to any other individuals other than media representatives that you have already testified about regarding your experiences as a Scientologist?

A. Broadly, yes.

Q. And with whom did you have such conversations?

June 30, 1993

Mark Goldowitz, Esquire
1611 Telegraph Avenue
Suite 1200
Oakland, CA 94612

Re: CSC v. Wollersheim
Los Angeles Superior Court
Case No. BC 074815

By Fax (510)465-1985

Dear Mark:

Here are the press contacts I initiated yesterday:

1. Daily Journal (213)229-5300; Mike Tipping; gave him history of Wollersheim litigation, significance as I see it of present actions, what's been filed, lawyers involved, July 2 hearing; he says he will advise their Superior Court reporter and if possible cover the hearing.

2. Los Angeles Times, Joel Sappell (800)528-4637 (ext 77043); I urged him to get a reporter assigned to this story and cientology to get up to speed, gave him background, 7/2 hearing, etc. He asked for documents (which I'll talk to you about later today).

3. Time, Rich Behar, (212)522-4205; urged him to pass on to LA Bu. He suggested I use his name to get to Bu Chief which I will do today. He did take several minutes of notes on Wollersheim history, present situation, players, etc.

4. Newsweek, Charles Fleming in LA (310)444-5254, very interested, took a lot of notes, recently did story on "Way to Happiness," and is getting educated in Scientology; hope to be at 7/2 hearing.

Yours sincerely,

Gerry Armstrong
c/o Hub Law

Gerry Armstrong
/O Hub Law Offices
1 Sir Francis Drake Blvd
San Anselmo, CA 94960
(415)258-0360

PLAINTIFF'S
EXHIBIT
24
8-19-94

August 28, 1993

Charles Fleming
Newsweek
11835 West Olympic Blvd., Suite 870
Los Angeles, CA 90064

Dear Mr. Fleming:

I thought you might be interested in one of the Scientology organization's new lawsuits against me, LA Superior Court No. BC 084642, filed July 8, 1993, amended complaint (enclosed herewith) filed August 10, 1993. We call this one Armstrong III.

The fifth cause of action at page 10 is devoted to my giving an interview to Newsweek, for which the organization seeks $50,000 in damages. The seventh cause of action at page 13 again concerns the Newsweek "interview" and seeks an injunction prohibiting me from continuing my incorrigible First Amendment activities.

The lawsuit itself is the organization's attempt to get around a stay in Armstrong II, LA Superior Court No. BC 052395. In that lawsuit Judge David Horowitz stayed all proceedings because the illegality of the underlying settlement agreement is an issue on appeal (No. B 060450, Second Appellate District, Division Four).

The organization also filed Armstrong IV July 23 in Marin County Superior Court, No. 157680, against me, The Gerald Armstrong Corporation, and Michael Walton, my friend and a lawyer, claiming my giving away of my assets (house, cash, stock, forgiving debts owed me, etc.) in August, 1990 was a "fraudulent conveyance" intended to render myself judgment-proof against all the damages Scientology says it's due from my free speech responses to its silly slanders.

We presently have a hearing set for September 8 in LA Superior Court in Armstrong II on Scientology's order to show cause re contempt, one of its efforts to have me jailed for the liberties I take with that old First Amendment. And there's another hearing September 14, also in Armstrong II in LA, on another OSC re contempt stemming from my provision of a declaration in June to Lawrence Wollersheim in his defense of Scientology v. Wollersheim, Los Angeles Superior Court No. BC 074815 (which is its own great literature).

If you think Newsweek would have an interest in this saga, please feel free to call me or attorney Ford Greene any time.

Yours sincerely,

Gerald Armstrong
715 Sir Francis Drake Boulevard
San Anselmo, CA 94960
(415)456-8450

Hub Law Office
Ford Greene, Esquire
711 Sir Francis Drake Boulevard
San Anselmo, CA 94960
(415)258-0360
Fax 456-5318

**EXHIBIT K, THE ENTERTAINMENT TV VIDEO SEGMENT
HAS BEEN LODGED SEPARATELY WITH THE COURT**

ENTERTAINMENT TV
STARS AND SPIRITUALITY

TRANSCRIPT OF VIDEO (Portion with Gerald Armstrong)
August 5, 1993

[SHOT OF ARMSTRONG, looking at legal papers]

GREG AGNEW: Gerald Armstrong says that leaving Scientology in 1982 wasn't that easy for him.

[SHOT OF PAGES OF MEMORANDUM OF INTENDED DECISION]

GREG AGNEW: In litigation Armstrong testified that he wanted out, after working for Hubbard and discovering documents that showed the Church Founder lied about his background and achievements. As Armstrong explains in the lawsuit, when he left Scientology he found he needed to take that so-called proof as protection.

[SHOT OF ARMSTRONG, looking at booklet that says "Two Faces"]

GREG AGNEW: That got him sued by the Church, labelled an "enemy of Scientology", and allegedly made him a target of the fair game doctrine.

[CLOSE-UP SHOT OF ARMSTRONG]

GERALD ARMSTRONG: The actual fair game doctrine states that someone labelled an "enemy", may be tricked, cheated, lied to, stolen from, sued, or destroyed, by any means, by any Scientologist.

[SHOT OF HEBER JENTZSCH]

GREG AGNEW: Jentzsch says today there is no fair game doctrine.

HEBER JENTZSCH: There was a policy years ago which was misunderstood. A person who leaves the justice system of Scientology can be fair game for this society.

[SHOT OF LEGAL PAPERS]

GREG AGNEW: In 1984 a California judge came down on Armstrong's side in his suit versus Scientology. Nine years later the two sides are still at legal odds. The Church is suing Armstrong, accusing him of breaching the original settlement agreement by speaking out against Scientology.

[SHOT OF HEBER JENTZSCH]

HEBER JENTZSCH: This is a person who wants to make a big name for himself off of Scientology.

[SHOT OF ARMSTRONG]

GREG AGNEW: Armstrong denies the charge. He and his attorney contend the contract is illegal and the lawsuit, improper.

[SHOT OF MANUSCRIPT entitled: **ONE HELL OF A STORY An Original Treatment Written for Motion Picture Purposes Created and Written by Gerald Armstrong**]

GREG AGNEW: He eventually hopes to tell his story on the big screen.

PLAINTIFF'S EXHIBIT
52 GA
10/20/94

July 4, 1993

Lawrence Wollersheim
121 High Street
Golden, CO 80403

Via Fax (303)652-2945

Re: FACT

Dear Lawrence:

Happy Independence Day!

Initially I see my day-to-day involvement with Fact (which for a certain time I imagine will be mainly BBS activities) as minimal. I say this for two reasons: 1. I cannot logistically nor logically remove myself at this time from Ford's law office or even add a few minutes of daily time outside the office; 2. when I do move on from the law office being my maintime daily duty in life it is my desire to pursue in a concentrated fashion some of my projects which only I can pursue.

We may never have talked about these projects, but they are dear to my heart and I think socially vital, timely and overdue. One of these projects, the Organization of United Renunciants, aligns, in fact, with FACT because it addresses and attempts to resolve the psychologically coercive use and destructive effect of money; and money certainly plays a big part in coercion in most of its forms. OUR Program will at some point bring me into direct conflict with those who would want the present economic system to continue (which it is generally agreed are those who control and benefit extravagantly from it); although being in direct conflict with such people is not new to either of us. I mention this in addition to the fact of OUR existence in case you did not want that potential degree of political confrontation that close to you.

I have felt for some time that I will be given wordly fame first of all for being given the formula for the Unified Field (I hope that this is as funny for you as for me). I think that the Scientology conflict will be put in perspective by the formula, which cannot be separated from the other aspects of my life with their own literary and societal significance. In the hard literature realm, as I mentioned a couple of weeks back, I have registered a treatment of my Scientology experiences for motion picture purposes. I will now forward with a synopsis of the later years to possible producers. This project, I think, will be where many of my hours in the next couple of years will go, and will bring me into direct conflict with the Scientology organization on its beachhead in Hollywood.

Not finally, because I have projects stacked up for several lifetimes, but excitedly at least, there's the Runners Against Trash. Since you've so kindly included me in your projects, I'd like to offer you the Golden Franchise. All the trash you can carry, your own RAT Bag R, fab flexibility, and what a way to meet babes. By mid-1994 the RATs should have the US white-gloved and be ready to take on Africa.

Well, anyway, I have other causes calling out to me for my time.

Which brings us to a what may be a golden opportunity: Vaughn Young. If he is not an org operative (and I have no reason to believe he is, other than the fact that he would be the perfect person to be an org operative if he were one) he may be the perfect person to work with you on the BBS in all of its aspects and applications.

Vaughn and Stacy have been out since 1989. They were both in the GO in PR and then worked on PR, publications, etc. Vaughn took over from me as the LRH Archivist after I left in December 1981, and in fact testified against me at my trial in 1984. He's computer literate, a top researcher, excellent writer, and wants to make a statement in his line of work; which happens to be your line of work. He has set up a BBS already, has time, works fast and is looking for work to work fast at.

I think that with a very few safeguards it could be a tremendous opportunity for Vaughn and for you and FACT. One of the safeguards is a briefing secrecy agreement, another is an employment agreement, and another is the bottom-line power resting in FACT's directors.

And that brings us to my foreseeable involvement. I believe the idea and the plan are courageous, creative and worthy, and I am glad to be able to play a role in FACT, no matter what that role is. I see that role for now being strategy, planning and consultation. I do not see me being on a payroll or being paid for what I can do to help at this time. Therefore I don't see being a signatory on a bank account as necessary or worth the paperwork. It's already a fact that FACT will collect my signature on documents considerably more valuable than checks, and my guess is you'd not want a signatory so geographically disjointed. I will certainly, for now at least, sign any checks made payable to me, for practically any figure, and if you think it's sensible right now for me to sign checks made payble to other people, I'll listen to your argument. But my areas of possibly useful expertise - research, logic, intuition, wisdom - I will give whenever they're asked for.

Here are Vaughn's data:

P.O. Box 233

Corona Del Mar, CA 92625

713 Marguerite
Corona Del Mar, CA 92625

(714)640-7151
BBS (714)640-1391 (lv msg for "TBA")

Regarding the Articles, By-Laws, Minutes, etc. I want to talk to Ford and another person and I hope to complete the meetings and my preparation of what I can answer and what questions I have by 7/6/93, at which time I will call you and we can discuss where we're at and the next step. I understand you're waiting on my signature and further involvement, and I have the firm intention of giving you my signature and being further involved and supporting your project, FACT.

With the best of good cheer,

G.

Gerry Armstrong
715 Sir Francis Drake Blvd.
San Anselmo, CA 94960

(415)456-8450

Hub Law (415)258-0360
FAX 456-5318

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

--o0o--

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California Not-For-Profit Religious Corporation,

Plaintiff,

vs.

GERALD ARMSTRONG, THE GERALD ARMSTRONG CORPORATION, a California Corporation, Does 1-25, inclusive,

Defendants.

Case No. BC-052395

Reporter's Transcript of Oral Deposition

GERALD ARMSTRONG

Friday, August 19, 1994

VOLUME VII

Pages 793 through 945

Reported By: Rosalie E. Stefani
CSR No. 3215

Talks.

Q. Oh, it's the Pittsburgh radio station?

A. Right.

Q. Okay, I guess I'm radio illiterate, too.

MR. GREENE: Word is also the name of a software program that is related to computers.

MR. HERTZBERG: That must have been by inadvertent osmosis, I assure you.

THE WITNESS: So that radio program is what I was referring to.

MR. HERTZBERG: All right.

Q. Have you exhausted your recollection, then, of any presentations, oral presentations, between March and the present, March, 1993 and the present, on the subject of your involvement with the Church of Scientology?

A. Right.

Q. During the period between March, 1993 and the present did you submit a manuscript which you had titled "One Hell of a Story" to anybody?

A. Yes.

Q. To whom?

A. Well, although there -- there would be -- for privacy interests there would be some of them that I wouldn't -- won't get into, I submitted it to the copyright office, and I submitted it to the -- I think it's Writer's Guild, and I submitted a copy of it to ETV.

Q. When did you submit it to the copyright office?

A. It was probably July of 1993.

Q. And when did you submit it to ETV?

A. Within that same time period, maybe a few weeks later, something in that time.

Q. To your knowledge has the manuscript "One Hell of a Story" been published anywhere?

A. No.

Q. Does it recite your experiences in the Church of Scientology?

A. Yes.

Q. Now, with respect to your refusal to identify other persons I'm going to ask you the question again, because we have to make a record.

Other than the submission to ETV, to the copyright office and to the Writer's Guild, to whom did you furnish a copy of your manuscript titled "One Hell of a Story" between March, 1993 and the present?

MR. GREENE: I object based on privacy and based on first amendment associational rights.

MR. HERTZBERG: All right, are you instructing him not to answer?

UNITED STATES DISTRICT COURT

NTRAL DISTRICT OF CALIFOR

5546

CHURCH OF SCIENTOLOGY INTERNATIONAL,)
Plaintiff,)
vs.)
STEVEN FISHMAN and UWE GEERTZ,)
Defendants.)

CASE NO. 91-6426-HLH(TX)

DEFENDANT'S LIST OF PROPOSED WITNESSES PURSUANT TO LOCAL RULE 9.4.5

DATE: AUGUST 26, 1992
TIME: 5:00 P.M.

Pursuant to Local Rule 9.4.5. Defendant Fishman submits the following list of the names and addresses of fact and expert witnesses (excluding witnesses for impeachment or rebuttal):

1. Margery Wakefield
Coalition for Concerned Citizens
5128 Gainesville Drive
Tampa, Florida 33617

2. Eddie Da Rocha
2019 Victoria Court
Los Altos, California 94024

3. Richard Padilla
244 4th Avenue
San Francisco, California 94118

4. Cathi Pennea-Slack
Post Office Box # 612
Rantoul, Illinois 61866

5. Lawrence Wollersheim
Post Office Box # 10910
Aspen, Colorado 81612

6. Lorna Levett
607-209 8th Avenue
S. W. Calgary, Alberta
Canada T2P-1B8

7. William Jordan
Post Office Box # 70399
Reno, Nevada 89570

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8. Dr. ard Ofshe
7112 Marlborough Terrace
Berkeley, California 94705

9. Dr. Margaret T. Singer
17 El Camino Real
Berkeley, California 94705

10. Dr. Engin Aksu, M.D.
Fort Lauderdale, Florida 33301

11. Mr. Peter Comras
Alexandria, Virginia

12. Dr. Louis Jolyon West
UCLA Medical Center
Los Angeles, California

13. Mr. Jack Douglas Johnson
Register No. # 04530-018
FCI Tallahassee
PMB 1000
Tallahassee, Florida 32301-3572

14. Dr. Ron Neuhring
Metropolitan Correctional Center of Miami
15801 S. W. 137th Avenue
Miami, Florida 33177

15. Dr. Uwe W. Geertz
1312 East Broward Boulevard
Fort Lauderdale, Florida 33301

16. Mr. David Miscavige
Religious Technology Center
1700 Ivar Avenue
Los Angeles, California 90029

17. Mr. Dennis Angelo
Clearwater Police Department
644 Pierce Street
Clearwater, Florida 34616

18. Mr. Angelo Troncoso
2203 North Lois Avenue, Suite # 308
Tampa, Florida 33607

19. Mr. Terry R. Kroggel, CPA
9600 Koger Boulevard
St. Petersburg, Florida 33702

20. Ms. Annica Johansson
Ekhagsringen 8C
55456 Jonkoping Sweden

21. Mr. Gerry Armstrong
7070 Fawn Drive
Sleepy Hollow, California 94960

22. Mr. [illegible]ndan Moore
613, 815 1st Street, S. W.
Calgary, Alberta
Canada T2P-1N3

23. Mr. George W. Blow, III
1105 Hays Street
Tallahassee, Florida 32317-2608

24. Mr. Ray Mithoff
Church of Scientology Flag Service Organization
210 S. Fort Harrison Avenue
Clearwater, Florida 34615

25. Dr. Peter Ganshirt
Lakeside Park, Kentucky

26. Ms. Melanie Mullaney
3111 Belvedere Drive
Green Valley, Nevada 89014

27. Mr. Frank Thompson
Ethics Officer
Church of Scientology Miami Org
120 Giralda Avenue
Coral Gables, Florida 33124

28. Mr. Simon Gabay
Register No. 17534-004
FCI Bastrop
Post Office Box # 730
Highway 95
Bastrop, Texas 78402

29. Dr. Ron Johnson
680 N. W. 19th Street, Apartment # 107
Fort Lauderdale, Florida 33311

30. Mr. Eitan Talit
14 Hilltop Place
Albertson, New York 11507

31. Dr. Daniel M. Lipshutz, M.D.
1148 Fifth Avenue
New York City, New York 10028
or Riverside, New York

32. Mr. Keith Nassetta
7770 West Oakland Park Boulevard, Suite # 300
Lauderhill, Florida 33321

33. All witnesses designated by Plaintiff and Defendant Geertz in discovery or the pre-trial meeting of counsel.

34. Additional witnesses as needed to authenticate documents.

Dated: August 26, 1992

Steven Fishman
STEVEN FISHMAN, Defendant
17280-004, PMB 1000, Tallahassee,FL

PROOF OF SERVICE

STATE OF FLORIDA)
) ss:
COUNTY OF LEON)
)
_______________)

On August 26, 1992, I served the following document described as DEFENDANT'S LIST OF PROPOSED WITNESSES PURSUANT TO LOCAL RULE 9.4.5 on Plaintiff Church of Scientology in this action by giving a true copy thereof in a sealed envelope to the C Unit Correctional Officer at the Federal Correctional Institution of Tallahassee with instructions to place this envelope in the mail bag of the United States Mail to be mailed with the outgoing mail at Tallahassee, Florida, addressed as follows:

Mr. Timothy Bowles or
Mr. Robert Wiener
Bowles & Moxon
6255 Sunset Boulevard, Suite # 2000
Hollywood, California 90028

Mr. Mark Augustine or
Mr. Jeff B. Barton or
Mr. Christopher C. Love
Lewis, D'Amato, Brisbois & Bisgaard
221 North Figueroa Street, Suite # 1200
Los Angeles, California 90012

Steven Fishman
STEVEN FISHMAN, Defendant
17280-004
C/N Unit
FCI Tallahassee
PMB 1000
Tallahassee, Florida 32301-3572

NAME Mr. Steven Fishman
REGISTER NO. 17280-004, C/N Unit, FCI Tallahassee
PMB 1000
TALLAHASSEE, FLORIDA 32311-3100

TALLAHA
PM
28 AUG
199

29
USA
Wood Duck

Mr. Timothy Bowles
or Mr. Robert Wiener
Bowles & Moxon
6255 Sunset Boulevard, Suite # 2000
Hollywood, California 90028

EXHIBIT P

GRAHAM E. BERRY, BAR NO. 128503
GORDON J. CALHOUN, BAR NO. 84509
LEWIS, D'AMATO, BRISBOIS & BISGAARD
221 North Figueroa Street, Suite 1200
Los Angeles, California 90012
(213) 250-1800

Attorneys for Defendant UWE GEERTZ, Ph.D.

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

CHURCH OF SCIENTOLOGY INTERNATIONAL,

Plaintiff,

vs.

STEVEN FISHMAN and UWE GEERTZ,

Defendants.

No. CV 91-6426 HLH (Tx)

DEFENDANT, UWE GEERTZ, PH.D.'S BRIEF NARRATIVE STATEMENTS REGARDING EXPECTED TESTIMONY OF EXPERT WITNESSES

(Local Rule 9.4.5).

Pretrial Conf.: 1/7/94
Trial Date: 2/94

Defendant, Uwe Geertz, Ph.D., submits the following brief narrative statements of each expert whom he presently intends to call at trial. This list is provisional because document, deposition and written discovery is continuing for at least another three (3) weeks. Dr. Geertz therefore reserves the right to revise, amend, change and supplement this list on an ongoing basis until otherwise stated or pursuant to Local Rules or Court order. Rebuttal and impeachment experts are not necessarily included in this list. Furthermore, expert witnesses are being identified on an ongoing basis, and any identification of experts at this time is also subject to revision, amendment, addition, deletion and change.

Some of these experts may not be called at trial because of duplicative or overlapping testimony. Some of the testimony of the listed expert witnesses is of a percipient nature together with expert and opinion testimony.

1. Gerry Armstrong, c/o Ford Greene, 711 Sir Francis Drake Blvd., San Anselmo, CA 94960-1949.

Mr. Armstrong's experience with Scientology, including his training, skill and expertise is well known to plaintiff and its attorneys -- through many years of litigation, trials, depositions and exchanges with him. Mr. Armstrong is one of the most experienced Scientology litigants. Mr. Armstrong also is one of the founders of F.A.C.T.

Mr. Armstrong is expected to testify about his knowledge of L. Ron Hubbard and his successors, of Scientology and its organizations, corporate and hierochial structure, beliefs, practices, methods, personnel, conduct, behavior, hierarchy, lexicon, activities, financing, financial activities, financial misdealings, setups, dead agent files, suicides, attempted suicides, history, criminal and/or alleged criminal conduct, the destruction of documents/evidence by Scientology, dealings with the public, dealings with former members, dealings with the press, dealings with the judicial system, dealings with psychiatry and psychology professionals, coercive methods, threats and directives to kill or murder people, the "fair game" doctrine, litigation conduct and other related or similar matters.

Mr. Armstrong is further expected to testify about matters relevant to defendant Geertz's affirmative defenses including, but not limited to, the libel proof defense, the incremental harm defense, Scientology's general and specific reputation, the 'substantial truth' of the relevant portions of the Time Magazine article, the "of and concerning" defense, alter ego issues, the common scheme, plan, habit and operation of Scientology resulting in various actions similar to those actions described in the allegedly defamatory material and of which Mr. Fishman's activities were allegedly a part, the absence of malice defense, and all matters relating thereto.

Mr. Armstrong is further expected to testify about his analysis, study, examination and review of records and documents relating to the foregoing matters. Mr. Armstrong is further expected to testify about all matters that fall within the scope of his expertise as relevant to the issues and defenses herein, and such other matters as may be added by supplemental narrative statement.

2. Vicki Aznaran, c/o Phoenix Investigations, 5521
Greenville Avenue, Suite 1044, Dallas, Texas 75206.

Ms. Aznaran is expected to testify about her knowledge of Scientology and its organizations, structure, beliefs, practices, methods, personnel, conduct, behavior, hierarchy, lexicon, activities, financing, financial activities, financial misdealings, setups, dead agent files, suicides, attempted suicides, history, criminal and/or alleged criminal conduct, dealings with the public, dealings with former members, dealings with the press, dealings with the judicial system, dealings with psychiatry and psychology fields, coercive methods, threats and directives to kill or murder people, the "fair game" doctrine and other related or similar

PROOF OF PERSONAL SERVICE

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is ______________________________
______________________________.

On December 7 , 1993, by personal service I delivered the foregoing documents described as follows: DEFENDANT, UTWE GEERTZ, PH.D.'S BRIEF NARRATIVE STATEMENTS REGARDING EXPECTED TESTIMONY OF EXPERT WITNESSES

by hand to the interested parties in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

Robert Wiener, Esq.
BOWLES & MOXON
6255 Sunset Boulevard
Suite 2000
Los Angeles, California 90028

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on December 7 , 1993, at Los Angeles, California.

____

PROOF OF SERVICE

I am employed in the County of Los Angeles. I am over the age of 18 years and not a party to this within action; my business address is 221 North Figueroa Street, Suite 1200, Los Angeles, California 90012.

On **December** 7 **, 1993,** I served on the interested parties in this action the within document entitled: DEFENDANT, UWE GEERTZ, PH.D.'S BRIEF NARRATIVE STATEMENTS REGARDING EXPECTED TESTIMONY OF EXPERT WITNESSES

[X] by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

SEE SERVICE LIST

[X] (BY MAIL) I caused such envelope(s) with postage thereon fully prepaid, to be deposited with the United States Postal Service at Los Angeles, California.

I am readily familiar with the firm's practice for collection and processing of correspondence for mailing with the United States Postal Service. Said correspondence will be deposited with the United States Postal Service on this same day in the ordinary course of business. I am aware that upon motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing as declared therein.

Executed on **December** 7, **1993,** at Los Angeles, California.

[ ] (STATE) I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

[x] (FEDERAL) I am employed by a member of the Bar of this Court at whose direction this service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

S/ ______________________________
Marcia Schwartz

SERVICE LIST

Mr. Steven Fishman
8851 Sunrise Lakes Boulevard, #116
Sunrise, Florida 33322-1413

Jonathan W. Lubell, Esq.
MORRISON, COHEN, SINGER & WEINSTEIN
750 Lexington Avenue
New York, New York 10022

Robert Wiener, Esq.
BOWLES & MOXON
6255 Sunset Blvd., Suite 2000
Los Angeles, California 90028

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE CITY AND COUNTY OF LOS ANGELES

---oOo---

CERTIFIED COPY

CHURCH OF SCIENTOLOGY
INTERNATIONAL, a California
not-for-profit religious
corporation,

Plaintiff,

vs.

No. BC-052395

GERALD ARMSTRONG, THE GERALD
ARMSTRONG CORPORATION, a
California corporation, DOES 1
through 25, inclusive,

Defendants.

and related cross actions.

DEPOSITION OF GERALD ARMSTRONG

Volume VI-A - Pages 753 - 792

Thursday, August 18, 1994

REPORTED BY: DAVID A. DISBROW, CSR NO. 7768 were three meetings in all?

A. I think that there were just three. And it may be that there is one that was, that isn't coming to mind, but that's only because it's not coming to mind, and that's why I hesitated about four, but I know of them.

Q. The three being the encounter at the courthouse --

A. Right.

Q. Meeting at the dinner in San Anselmo, and the one I haven't asked you about?

A. Right.

Q. Tell me the circumstances of that encounter.

A. That was at the Lewis, D'Amato law firm, and I went to -- I was down in Los Angeles for, I believe, a hearing, and after I was done at the Superior Court, I had some other work there in the courthouse. We were checking my file for some money, but I had some business at the courthouse, and then I walked over to the Lewis, D'Amato firm and met there with Von, Stacey and Hannah. And it may have been that Graham Berry was also there or he was at least in the area.

And we greeted each other, and then

the, at least four of us went to lunch nearby.

Q. And the four includes whom: Yourself --

A. Myself, Von and Stacey and Hannah.

Q. Hannah being Hannah Whitefield?

A. Right. And Graham also may have been there. He may have been there for part of that.

Q. Graham? Graham Berry?

A. Right.

Q. Right. Mr. Berry doesn't represent you, does he?

A. No.

Q. And he's never represented you, has he?

A. No.

Q. On the occasion of a hearing which you referred to was that a hearing in one of your cases?

A. I believe so.

Q. Was that at the time that the Court of Appeal heard argument on your -- was that the conversation of the hearing when the Court of Appeal considered your appeal of Judge Sohetian's opinion in this case?

A. It might have been or it may have

been on the occasion of some other event, but it may have been, at that time.

Q. Can you tell us what month you think this was in, the meeting occurred?

A. It was not that long ago. Probably in the spring of this year to my recollection.

Q. And what was the substance of conversations that occurred while you were with Von and Stacey Young on the occasion of the meeting at the Lewis, D'Amato firm?

A. My recollection is that it principally concerned the Fishman case, and that around that time Scientology had either dismissed the case or found something to dismiss the case or it was in that stage toward the end of the litigation. And the communications -- the only ones which stand out were on that subject.

Q. And what stands out? Tell me what stands out.

A. That there was a dismissal in progress, that had been filed, it was waiting for a hearing. It may have even been that they were waiting for a ruling on fees and costs. I'm not sure of the consequence. I heard of these events as they transpired, and my recollection was that we communicated about that during the brief time I was there for lunch.

Q. What did you say during these discussions?

A. I don't know. Nothing specific comes to mind.

Q. You can't recall anything that you said during these discussions?

A. Like I say, this was, as far as I can recall, what the discussions were about. There may have been other details that flowed across the lunch table, you know, how you doing in life, what's new, that sort of thing.

Q. Did you offer to furnish a declaration to either the Lewis, D'Amato firm or any client it was representing in the litigation?

A. At some point, I did -- I can't tell you if it was before or after that. I think they already had a copy of my declaration regarding, you know response to Davis Miscavige's declaration, and that was acknowledged by somebody.

I remember Hannah mentioning that she had read it, so that was -- but I don't recall, at this point, in the declaration which I provided essentially, to oppose the sealing of the Court file, and as it applied to my matters, and my declaration, I think that that was around that time, but it may have been later than that conversation when I saw them for lunch. I'm not sure of the exact time, but there were two declarations which I did provide in that litigation.

Q. And who did you provide them to directly?

A. I believe in both cases that I sent them to Graham Berry.

Q. And in the mail?

A. I believe so.

Q. Okay. You also were designated as a witness on at least one witness list in the Fishman litigation, were you not?

A. I have seen that.

Q. All right. When did you first see that?

A. The first time I think I saw that was in something filed, perhaps a supplemental adjudication motion in "Armstrong IV."

Q. You mean recently?

A. Yeah.

Q. That's the first time you became aware?

A. I think that's the first time I saw it.

Q. Okay. Somebody had previously discussed your being designated as a witness in the Fishman case?

A. Well, there are a couple of instances of that.

Q. Right.

A. There was a communication, and I think that Graham Berry spoke directly to me on that matter, and it also may have involved Mr. Greene. And then -- so some months, if not like a long period of time before then, but there was a communication with Mr. Berry about something like that.

Q. And Mr. Berry desired you to be a witness in the Fishman case, did he not?

A. I believe so.

Q. And in fact, he discussed that with your directly, did he not?

A. Like I say, I have a recollection of something about that like, you know, some period of time before then. And it may have been -- I think it was the time when Mr. Berry called for Mr. Greene and me, but in any case this got mentioned in the communications which were going around, at that time.

Q. And you agreed to be a witness, did you not?

A. I never disagreed.

Q. And do you recall what areas of perspective testimony it was desired that you provide?

A. I don't believe that -- you know, I have my own areas of what I consider to be expertise, and I don't think beyond, very generally, if at all, that is, if it was discussed at all, whether the specifics of what I would testify to or what I would testify to go into, but I think that Mr. Berry's understanding of my history, and my present involvement in litigation, and what I've said about myself, and my areas of expertise are pretty well known and accepted.

Q. And those areas of expertise that are "pretty well known and accepted," include your experiences in the Church of Scientology, do they not, including, but not limited to your position as an archivist?

A. That is foundational to what I consider the areas.

Q. All right, but that's part of it; is it not?

A. Yeah, that's the foundation of it.

Q. I have one more question. One or two more questions for today because I do what this document search to be conducted.

Mr. Armstrong, after that meeting at Lewis, D'Amato, and the lunch, did you have any subsequent conversations with Mr. Von Young between that time and today?

A. Yes.

Q. Where were they?

A. When you say, "substantive --"

Q. Go ahead.

MR. GREENE: Subsequent.

MR. HERTZBERG: Q. Subsequent.

A. Subsequent? Okay. Then there are subsequent conversations, and we have communicated sporadically, but a few times over the last few months, and those were principally a couple of times, perhaps a month or a month and a half ago, and these were -- these involved meetings that they were having with Mike Rinnard,

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

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CHURCH OF SCIENTOLOGY INTERNATIONAL, a California Not-For-Profit Religious Corporation,

Plaintiff,

vs.

GERALD ARMSTRONG, THE GERALD ARMSTRONG CORPORATION, a California Corporation, Does 1-25, inclusive,

Defendants.

Case No. BC-052395

Reporter's Transcript of Oral Deposition

GERALD ARMSTRONG

Friday, August 19, 1994

VOLUME VII

Pages 793 through 945

Reported By: Rosalie E. Stefani
CSR No. 3215

one was really when I learned from them of, I guess, the nature and the length and whatever of their communications with Stedter and Rinder.

Q. That was the conversation a month ago, approximately?

A. To my recollection it was approximately a month ago.

Q. At -- either in that conversation or subsequently did Ron and/or Stacy Young communicate to you whether they were going to accept any settlement agreement with the Church of Scientology?

A. I have never heard that from them.

Q. Do you recall testifying yesterday that you furnished two declarations to Mr. Berry for use in the -- what you called the Fishman case?

A. Right.

Q. I will show you a document, which I will have marked for identification as plaintiff's number 22.

--o0o--

(**Plaintiff's Exhibit(s) 22**
marked for identification)

MR. HERTZBERG:

Q. Mr. Armstrong, would you look at what's been marked for identification as plaintiff's number 22 and tell me if you recognize that exhibit as one of the declarations which you furnished Mr. Berry for use in the case captioned Church of Scientology International vs. Steve Fishman and Uwe Geertz?

A. Yeah, this is mine.

Q. And let me draw your attention to numbered page 14. Is that your signature, which appears above the name Gerald Armstrong at the bottom of page 14?

A. Yes.

Q. And you executed that signature on February 22, 1994?

A. Yes.

Q. Okay, and did you compose the declaration, which comprises pages one through 14 of Exhibit 22?

A. Except other than those things which may be quoted in here, yeah, it's all mine.

Q. And you prepared this declaration for the purpose of assisting Mr. Berry in his litigation in which he was representing the defendant in the action which was filed?

A. Well, to the degree that it would help, but I really stated in the thing which gave rise to it it was not so much a desire to help, although, undeniably, it could, and that was as I stated in paragraph two, that it was in response to certain statements concerning me. So it addresses those rather than addressing the subject of my help to Mr. Berry.

Q. And there are several exhibits that are attached to the declaration following page 14?

A. Yes.

Q. Did you prepare those exhibits?

A. Well, again, to the degree that I -- with regard to the choice of the exhibits, I did. With regard to -- not the language in them, except for the language in exhibit -- you have your exhibit B.

Q. By "prepare" I meant "assemble." Did you assemble the exhibits?

A. Yeah.

Q. All right, and turning to one of the exhibits, exhibit B, do you see that?

A. Yes.

Q. Which was entitled "Find a Better Basket"?

A. Yeah.

Q. Is that your signature which appears on page 16, the last page of exhibit B?

A. Yes.

Q. And did you sign this page on or about February 22, 1994?

A. Yes.

Q. When did you write this document, Find a Better Basket?

A. In a period around -- around then.

Q. All right. Have you sent this document to anybody else other than as an exhibit which you appended to the declaration and forwarded to Mr. Berry?

A. I'm not certain. It has always been in the form that it's been, and I don't know if it -- if, independent of it as an exhibit in that form, has been sent anywhere else, but it may have been.

Q. You testified yesterday that you also sent a declaration to Mr. Berry with respect to an issue in the Fishman case regarding the sealing of files?

A. Right.

Q. To your knowledge, was that declaration of yours ever filed in court?

A. I don't know if it was.

Q. Do you have a copy of that declaration?

A. Yes, I do.

Q. Do you have it with you?

A. No.

MR. HERTZBERG: All right, I'd like to ask that it be produced. Obviously, it's not going to be produced today, but --

THE WITNESS: Okay.

MR. HERTZBERG: -- but I'd like it to be produced.

SUPERIOR COURT FOR THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

---oOo---

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California Not-for-Profit Religious Corporation,
Plaintiff,
vs.
GERALD ARMSTRONG; THE GERALD ARMSTRONG CORPORATION, a California Corporation; Does 1-25 inclusive,
Defendants.

Case No. BC-052395

CERTIFIED COPY

DEPOSITION OF GERALD ARMSTRONG

Volume VIII

Pages 946 - 1063

THURSDAY, OCTOBER 20, 1994

REPORTED BY: SUSAN M. LYON, CSR #5829

Q. Is that your signature on the second page of the letter?

A. Yes.

Q. Under "Yours sincerely"?

A. Yes.

Q. Did you transmit that letter to Mr. Cusick?

A. Yes.

Q. Mr. Armstrong, you testified previously that you furnished some declarations to either Steve Fishman or Graham Berry.

Do you recall that testimony?

A. I recall. And what I actually did was furnish declarations to Graham Berry for use, and I believe they were filed in the Fishman case.

Q. Do you recall testifying specifically about a declaration you provided to Graham Berry regarding the sealing of files in the Fishman litigation?

A. Yes.

Q. Would you look at what has been previously marked as Exhibit 64 and tell me if that is a declaration which you provided to Mr. Berry on the sealing matter?

A. Yes, it is.

Q. Is it your best recollection that this declaration was actually filed in the Fishman case?

A. I don't know. My recollection is that I heard it was filed, but I do not know if it was.

Q. Did you assemble the exhibits to Exhibit 64?

A. Yes.

Q. Did you prepare the 10-page declaration, dated April 21, 1994, which precedes the exhibits?

A. Yes.

Q. Was the purpose of your preparation of Exhibit 64 to aid Mr. Fishman in his litigation with various Church of Scientology entities?

A. More specifically, it was aimed at opposing Scientologist's efforts to seal the record in the Fishman case. So if that coincided with Mr. Fishman's interest, then yes.

Q. Were you paid by either Mr. Berry, Mr. Fishman or Mr. Berry's firm to furnish this declaration, which is marked as Exhibit 64?

A. No.

Q. Do you recall whether you volunteered to furnish Exhibit 64 to Mr. Berry?

A. I believe I did.

Q. Were you opposed to the sealing of any documents in the Fishman file?

A. I was opposed to what I understood that Scientology was attempting to have sealed at that time, that was essentially the whole file or at least affidavits while he was a Scientologist.

MR. GREENE: Correct. I would make the same objection, give the same instruction.

MR. HERTZBERG: Q. Mr. Armstrong, have you ever met Mr. Fishman other than at the 1993 CAN conference?

A. No.

Q. I'm show you what has been premarked as Plaintiff's Exhibit 58 and ask you to identify that document.

A. This is a letter that I wrote to Graham Berry on January 27, 1994.

Q. I note on the face of the document what appears to be black markings obscuring some portions of the contents of this letter.

Did you make those markings?

A. Yes.

Q. For what purpose did you make those markings?

A. I felt I should protect these individuals from Scientologist's knowledge of them. So there are individuals named here and I deleted that and identifying characteristics or numbers or addresses for that reason.

Q. When did you make those markings?

A. When I copied this for production.

MR. HERTZBERG: Mr. Greene, I'm going to ask that we be given an unredacted copy of this letter.

MR. GREENE: You can ask.

MR. HERTZBERG: I've just asked. What is your response?

MR. GREENE: My response is that I'll consider it, but I will make no commitment at this time.

MR. HERTZBERG: My co-counsel will communicate with you after the deposition session to determine what your final decision is on that matter.

MR. GREENE: Good.

MR. HERTZBERG: Because if we do not receive the unredacted version, we will move to compel.

Q. Mr. Armstrong, was there an occasion which led to writing the January 27, 1994 letter to Mr. Berry, which is Exhibit 58?

A. Yes.

Q. What was that occasion?

A. Mr. Berry requested -- he was looking for individuals who may be able to testify as to the matters discussed here.

Q. Was Mr. Berry looking for witnesses in connection with the Fishman case?

A. I believe so, yes.

Q. Was it your understanding that he was looking for witnesses for use in other litigation against various

Church of Scientology entities?

A. I have no information about that.

Q. When did Mr. Berry communicate to you that he desired your assistance in identifying and locating witnesses for use in litigation in which he was involved?

A. From the first line that I've written to him, "Here is the information you asked for yesterday," my best estimate would be that it was January 26th, 1994.

Q. Was that request communicated by Mr. Berry to you orally or in writing?

A. I believe orally.

Q. Was it in person or over the telephone?

A. Over the telephone.

Q. Do you recall any other details of the conversation with Mr. Berry?

A. The subjects that he was looking for had to do with this, the death of Quentin Hubbard and financial matters, that is, financial fraud.

Q. Was the subject of financial fraud a matter that was in litigation in the Fishman case, to your knowledge?

A. I believe that was my -- my knowledge of it was that the Fishman litigation in large part flowed from the Time article. And the Time article itself, which was called "Scientology, The Cult of Greed," related to

PLAINTIFF'S EXHIBIT 58-6A 10/20/94

January 27, 1994

Graham E. Berry, Esquire
Lewis, D'Amato, Brisbois & Bisgaard
221 North Figueroa Street
Suite 1200
Los Angeles, CA 90012

By Fax: (213)250-7900

Dear Graham:

Here is the information you asked for yesterday:

Ed Walters has stated that he knew about GO ops and coverup in the death of Quentin Hubbard. 4902 North 9th Street, Las Vegas, NV 89101 (702)382-7011. Walters is a December, 1986 settlement agreement signer, so unless he goes an Armstrong route or unless you get the organization to release him from the "agreement," he may be unwilling to talk.

Ed Roberts is a man the Steven Creek org ripped off. His credit card was maxxed against his specific instructions, and a loan was "arranged" for him between the Stevens Creek reg and her Scientologist cohort in the loan company, Loan Arranger. Ed lost his house and Scn refuses to refund his money. Add to that this benevolent church has sued me and wants $50,000 for daring to assist Ed. (408)338-7098 Brookdale Lodge, Room #48, Brookdale, CA 95007. I'll pass on any other flat-out financial fraud as I think of it.

[redacted]

Regarding other flat-out financial fraud, [redacted] another settlement agreement signer, could be helpful. Would have to be subpoenaed. [redacted]

[redacted] Finance Police ripoffs of the mission holders in 1982-3 period. Last number I had for him was [redacted] I gave these numbers to [redacted] some time back and he may have since tracked [redacted]

[redacted] may be a helpful source for some of your areas of interest. [redacted]

Yours sincerely,

G. Armstrong

Gerry Armstrong
715 Sir Francis Drake Boulevard
San Anselmo, CA 94960
(415)456-8450
Days (415)258-0360 Fax (415)456-5318

GRAHAM E. BERRY, Bar No. 128503
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LEWIS, D'AMATO, BRISBOIS & BISGAARD
221 North Figueroa Street, Suite 1200
Los Angeles, California 90012
(213) 250-1800

Attorneys for Defendant
UWE GEERTZ, Ph.D.

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

CHURCH OF SCIENTOLOGY INTERNATIONAL,

Plaintiff,

vs.

STEVEN FISHMAN and UWE GEERTZ,

Defendants.

No. CV 91-6426 HLH (Tx)

DECLARATION OF GERALD ARMSTRONG RE: MOTION FOR COSTS

DATE: APRIL 4, 1994
TIME: 10:00 A.M.
COURTROOM: 7

PLAINTIFF'S EXHIBIT
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8-19-94

DECLARATION OF GERALD ARMSTRONG

I, Gerald Armstrong, declare:

1. I am over 18 years of age and a resident of the State of California. I have personal knowledge of the matters set forth herein and if called upon to testify thereto I competently would.

2. I am making this declaration in response to certain statements, principally those concerning me, made by David Miscavige in his declaration executed February 8, 1994, and filed in the case of Scientology v. Fishman & Geertz, United States District Court for the Central District of California, Case No. CV 91-6425 HLH(Tx).

3. Mr. Miscavige states that I am a proven liar because he has found a discrepancy between a finding of Judge Paul G. Breckenridge Jr. in his decision rendered June 20, 1984 in the case of Scientology v. Armstrong, Los Angeles Superior Court No. C 420153 (Armstrong I), and a statement allegedly made by me and secretly recorded by Mr. Miscavige's covert intelligence operatives in the fall of 1984. (Miscavige dec. p. 31, l. 22 - p. 32, l. 5). Mr. Miscavige is employing one of Scientology's confusion techniques the organization's founder L. Ron Hubbard dubbed "dropped out time." Mr. Miscavige's incidents, which he has linked for purposes of confusion, are years apart.

4. In this civilization fear is generally accepted to be an emotion or state of mind which can either be present or not present, or perhaps present in degrees. It is fairly well accepted that a not abnormal person can be afraid one

day, when, for example there are a couple of unidentified men at four a.m. outside the person's bedroom window where no men ought to be at four a.m., and not afraid on another day, when the person is, for example, watching the Dodgers beat the Giants. That the person claimed to be afraid at four a.m Sunday and not afraid at the Wednesday ballgame does not make that person a proven liar. In my case there were more than two years between one time when I was afraid and the next occasion when Mr. Miscavige says I said I was not afraid.

5. In his decision, a true and correct copy of which is appended hereto as Exhibit A, Judge Breckenridge states:

> "From his extensive knowledge of the covert and intelligence operations carried out by the Church of Scientology of California against its enemies (suppressive persons), Defendant Armstrong became terrified and feared that his life and the life of his wife were in danger, and he also feared he would be the target of costly and harassing lawsuits."
>
> ....
>
> "It was thereafter, in the summer of 1982, that Defendant Armstrong asked Mr. Garrison for copies of documents to use in his defense and sent the documents to his attorneys, Michael Flynn and Contos

> & Bunch.
>
> After the within suit was filed on August 2, 1982, Defendant Armstrong was the subject of harassment, including being followed and surveilled by individuals who admitted employment by [Scientology]; being assaulted by one of these individuals; being struck bodily by a car driven by one of these individuals; having two attempts made by said individuals apparently to involve Defendant Armstrong in a freeway automobile accident; having said individuals come onto Defendant Armstrong's property, spy in his windows, create disturbances, and upset his neighbors." (Ex. A. Appendix p. 14, l. 6 - p. 15, l. 3)

6. It is clear that Judge Breckenridge in his statements about my fear of organization legal and extra-legal attacks is referring to my state of mind in the period between the organization's publication of its "Suppressive Person Declares" on me in early 1982 and its filing of Armstrong I in August, 1982. This fear was not irrational or unfounded as the organization itself proved when it harassed my wife and me as Judge Breckenridge found, and did file harassing and costly lawsuits against me. All of these harassing and criminal acts were carried out during Mr.

Miscavige's control of such activities, which he claims to have wrested from the Guardian's Office, which, itself, just as he himself, according to Mr. Miscavige "used unscrupulous means to deal with people they perceived as enemies of the Church." (Miscavige dec. p. 17, l. 17).

7. Mr. Miscavige's new Guardian's Office, the Office of Special Affairs, did not end its criminal and abusive tactics with the incidents listed by Judge Breckenridge, but has added ten more years of "fair game" attacks since the 1984 decision, including, but not limited to:

a. attempted framing by entrapment and illegal videotaping;

b. filing false criminal charges with the Los Angeles District Attorney;

c. filing false criminal charges with the Boston office of the FBI;

d. filing false declarations;

e. bringing contempt of court proceedings on three occasions based on false charges;

f. making false accusations in internationally published media of crimes, including crimes against humanity;

g. culling and disseminating information from my supposedly confidential auditing (psychotherapy) files;

h. relentlessly attacking my attorney, Michael Flynn of Boston, Massachusetts with some 15 lawsuits, baseless bar complaints, theft of office documents, infiltration of his law practice, framing him with the forgery of a $2,000,000 check, an international black PR campaign, threats to him and his family, and, according to him, attempted assassination; all for the purpose of driving him out of the organization-related litigation in order to leave his clients undefended against the organization's attacks;

i. fraudulently promising to discontinue "fair game" against me if I settled my cross-complaint against the organization, knowing full well that it would continue to attack me in the courts and the marketplace of ideas once I signed its settlement contract, which I did in December, 1986, and once it had contracted with Mr. Flynn to not defend me in future litigation;

j. following the settlement, publishing a false and unfavorable description of me in a "dead agent" pack relating to writer and anti-Scientology litigant Bent Corydon;

k. filing several affidavits in the case of Church of Scientology of California v. Russell Miller and Penguin Books Limited, case no. 6140 in the High Court of Justice in London England which falsely accused me of violations of court orders, and falsely labeled me "an admitted agent provocateur of the U.S. Federal Government";

l. delivering copies of an edited version of an illegally obtained 1984 videotape of me to the international media;

m. threatening me with lawsuits on six occasions if I did not abet its obstruction of justice in the Miller case, in the case of Bent Corydon v. Scientology, Los Angeles Superior Court No. C 694401, wherein Corydon had subpoenaed me as a witness, and in the case of Scientology v. Yanny, Los Angeles Superior Court No. C 690211;

n. threatening to release my confidences, which it had stolen from a friend, and which had been specifically sealed by Judge Breckenridge in Armstrong I if I did not assist it in preventing Corydon from gaining access to the Armstrong I court file;

o. on February 4, 1992, filing a lawsuit, Scientology v. Gerald Armstrong, Marin Superior Court Case No. 152229 ("Armstrong II"), transferred to Los Angeles Superior Court and given Case No. BC 052395, alleging contract breaches, which it itself precipitated, for the purposes of, inter alia, obstructing justice, suppressing evidence, assassinating my reputation, retaliation and intimidation;

p. on July 8, 1993, filing a lawsuit Scientology v. Gerald Armstrong & The Gerald Armstrong Corporation, Los Angeles Superior Court Case No. BC 084642 ("Armstrong III") for the same purposes as in o. above;

q. on July 23, 1993, filing a lawsuit, Scientology v. Gerald Armstrong, Michael Walton & The Gerald Armstrong Corporation, Marin Superior Court Case No. 157680 ("Armstrong IV") for the same purposes as in o. above;

r. twice more bringing contempt of court charges against me based on false sworn statements.

8. The videotapes from which Mr. Miscavige claims to quote were made in November, 1984. In order to provide a context for how I came to be involved with his operatives who set up the videotaping and to clarify the words of both the operatives and myself which were recorded, and a few of which Mr. Miscavige claims to quote, I am appending hereto as Exhibit B a copy of a declaration/screenplay outline I have just completed and called "Find a Better Basket."

9. When I state on the 1984 videotape that I am not afraid, I am answering one of the operatives' questions or challenges which he has been drilled to state. In responding the way I did I am honestly communicating one of the changes I had perceived in my psyche over the almost three years since I left the organization. Because the organization teaches its members to put their faith in what cannot protect them; e.g., data, wins, attacks, hatred, disconnection, leverage, lawsuits, private investigators, fair game, L. Ron Hubbard or David Miscavige; it leaves them with a seemingly irreducible fear. Those who put their faith in God, wherein lies perfect protection, give up their

fear. There will still be times when fear will arise, but the reestablishing of faith in God will every time cause that fear to disappear into the nothing it is. I was beginning to learn that wisdom by the time of the 1984 videotaping. In fact it was that learning which seemed to move me to associate with the operatives who only sought my destruction. I have stated many times that I have an undeniable concern that before it comes to its senses or saner minds prevail in the organization its power structure headed by Mr. Miscavige will have me assassinated or do something else diabolical and dangerous, and this has produced in me an awareness of threat and is a fact of my present psychological condition. The power structure is quite capable of violent and criminal acts, or of purchasing such acts. The power structure is armed, and its head PI Eugene M. Ingram has threatened to kill me. The power structure makes a religion of terrifying countless vulnerable and innocent people who do not have my certainty and do not have my skills to fight the organization's tyranny. For these reasons I oppose its tyranny and its suppressive doctrines and practices. Mr. Miscavige should not be pointing out imagined inconsistencies in whether one of his victims in one year or another was afraid or not of his vicious organization, but should be eliminating all of its viciousness so that no one ever again is made afraid by it.

10. Mr. Miscavige calls the videotaping of me "a police-sanctioned investigation." (Miscavige Dec. p. 31, l.

28) This is a lie Mr. Miscavige must tell as if his life depends on it. I provided the truth in "Find a Better Basket."

"Organization lawyers, Earle Cooley and John Peterson, claimed (during the 1985 trial of Julie Christofferson v. Scientology, Circuit Court of the State of Oregon, Multnomah County, No. A7704-05184, that) the Armstrong operation had been authorized by the Los Angeles Police Department, and they produced a letter dated November 7, 1984, ... signed by an officer Phillip Rodriguez, directing organization private investigator Eugene M. Ingram to electronically eavesdrop on me and Michael Flynn.

On April 23, 1985, Los Angeles Police Chief Daryl F. Gates issued a public statement, ... denying that the Rodriguez letter was a correspondence from the Los Angeles Police Department, denying that the Los Angeles Police Department had cooperated with Ingram, and stating emphatically that all purported authorizations directed to Ingram by any member of the Los Angeles Police Department are invalid and unauthorized. On information and belief, the officer, Phillip Rodriguez, who signed Ingram's letter was paid $10,000.00 for his signature. Also on information and belief, following a Los Angeles Police Department Internal Affairs

Division investigation and a Police Department Board of Rights. Officer Rodriguez was suspended from the Los Angeles Police Force." ("Better Basket," p. 13, paras. 22 and 23)

A copy of Officer Rodriguez's "authorization" is appended hereto as Exhibit C, and a copy of Chief Gates' public announcement is appended hereto as Exhibit D.

11. Mr. Miscavige claims that his illegal videotapes of me capture me acknowledging my real motives, to overthrow his organization's leadership and gain control of it. (Miscavige Dec. p. 32, 1.1 - 1.3) This is absurd. His own people, operated by him, came to me with their idea, approved by him, as outlined in "Better Basket," of wresting control of the organization from what they called the "criminals" running it. I have never had a desire control the Scientology organization or Scientology, although I recognize that its leaders should be restrained from further abuse of anyone. My real motive in my day-to-day relationship with its leaders is to get it out of the litigation business and get it to cease its assault on the justice system, its abuse of innocence and its threatening of me, my friends and people of good will everywhere. I know David Miscavige personally. I know him to be a bully, a liar and a perfect replacement for L. Ron Hubbard at the controls of his empire. I also know that God is in him as He is in everyone else and that bullying and lying are just mad and useless efforts to fight that fact.

12. Mr. Miscavige states that I advise one of his

covert operatives to accuse the organization of various criminal acts and when I am told that no evidence exists to support those charges I respond to "just allege it." (Miscavige Dec. p. 32, l. 5 - l. 8) "Better Basket" describes something of the context in which I make a statement differentiating between "allegations" and "proof." The operative I'm talking to is Mike Rinder. Before this meeting I had already, on request of the "Loyalists," provided them with a "bare bones" draft of a complaint. Complaints contain allegations. Complaints do not contain proof. Rinder, who had been represented to me as the Loyalists' "best legal mind" couldn't seem to get the distinction between allegations and proof in the complaint, and I was frustrated in our conversation because he seemed so dense. Now, of course, his denseness is fully understandable. He had to appear stupid and had to deny that there was any "proof" of the sort of allegations that would be made in a complaint because he knew he was being recorded on a videotape which was going to be used to attack, and if possible destroy me. Even what the organization has done to me alone (see, e.g., crimes listed by Judge Breckenridge and the list in paragraph 7 above) is enough for actual true-hearted reformers to bring a lawsuit to take control of the organization from the criminals now in charge.

13. During Mr. Miscavige's videotape operation a briefcase containing a book of my original drawings and writings and other documents was stolen from the trunk of my

car. My attorney made a demand on the organization for the return of these materials. The organization denied having them. I have recently been advised by Vicki Aznaran, a former organization executive who carried out operations against individuals on Mr. Miscavige's orders, that he told her at the time of their theft that he had them and he described them to her. Knowing that this declaration will be seen by Mr. Miscavige, I herewith renew my demand to him for the return of my materials to me.

14. I will also take the opportunity to advise this Court that Mr. Miscavige's organization considers that it has me under a contract whereby it may sue me for filing this declaration, not because it is untrue or libelous, but because that is what the organization insists its contract permits. This contract was obtained by Mr. Miscavige as the result of his organization's years of attack on my attorney Michael Flynn, as stated in paragraph 7 subparagraph h. above. In order to get the organization to cease its fair game against Mr. Flynn I had to sign its contract, which, according to Mr. Miscavige, allows him and his agents to say whatever they want about me in any court proceeding or in the media and I may not respond. If I do respond I become subject to a $50,000.00 liquidated damages provision for every utterance, and the target in another Miscavige-ordered costly and harassing lawsuit. The three lawsuits, Armstrong II, III and IV described in paragraph 7, subparagraphs o, p and q, and the contempt of court proceedings at subparagraph r, are all pursuant to this contract. The contract is

against public policy and illegal. Mr. Miscavige, moreover, entered into a separate illegal contract with Mr. Flynn, which prohibits Mr. Flynn from assisting me in any litigation against the organization. If Mr. Flynn were to assist me he would again be subjected to "fair game." Mr. Miscavige would be wise to rescind all these illegal contracts and discontinue his abuse of the legal process and totally eliminate from his organization the doctrine and practice of fair game, and not merely deny its existence.

15. Mr. Miscavige claims to know a great deal about the IRS dropping me as a witness because of his videotapes. In truth I was not dropped as a witness at all, and my credibility, despite more than twelve years of his organization's attacks on it, is intact. One of the conditions of the 1986 "settlement" with Mr. Miscavige's organization was that in order for the organization to discontinue the "fair game" against Mr. Flynn I had to sign a knowingly false affidavit, essentially stating that Mr. Miscavige's new regime had discontinued the organization's criminal activities. Mr. Flynn claimed that the organization had already tried to murder him and he felt his life and his family were in danger. I fully believed Mr. Flynn because I had myself been the target of fair game for five years by then and had likewise been threatened with murder. I, along with several other of Mr. Flynn's clients, therefore signed these false affidavits which the organization had prepared. The organization then filed the false affidavits in its IRS litigations. Mr. Miscavige

makes much of the IRS granting his organization tax exempt status. Our government's turning its back on this organization's thousands of victims and apparently ignoring its obnoxious, irreligious and criminal core nature, however, does not make this victimization and antisocial nature either right or religious.

16. Mr. Miscavige also claims that Scientology's philosophy and practice of opportunistic hatred, called "fair game" by L. Ron Hubbard, its originator, doesn't exist. It does.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at San Anselmo, California, on February 22, 1994.

GERALD ARMSTRONG

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FILED
JUN 22 1984
[illegible]
Rosie M. Hart
BY ROSIE M. HART, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY OF CALIFORNIA,
Plaintiff,

vs.

GERALD ARMSTRONG,
Defendant.

MARY SUE HUBBARD,
Intervenor.

No. C 420153

MEMORANDUM OF INTENDED DECISION

In this matter heretofore taken under submission, the Court announces its intended decision as follows:

As to the tort causes of action, plaintiff, and plaintiff in intervention are to take nothing, and defendant is entitled to Judgment and costs.

As to the equitable actions, the court finds that neither plaintiff has clean hands, and that at least as of this time, are not entitled to the immediate return of any document or objects presently retained by the court clerk. All exhibits

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EXHIBIT H

received in evidence or marked for identification, unless specifically ordered sealed[1], are matters of public record and shall be available for public inspection or use to the same extent that any such exhibit would be available in any other lawsuit. In other words they are to be treated henceforth no differently than similar exhibits in other cases in Superior Court. Furthermore, the "inventory list and description," of materials turned over by Armstrong's attorneys to the court, shall not be considered or deemed to be confidential, private, or under seal.

All other documents or objects presently in the possession of the clerk (not marked herein as court exhibits) shall be retained by the clerk, subject to the same orders as are presently in effect as to sealing and inspection, until such time as trial court proceedings are concluded as to the severed cross complaint. For the purposes of this Judgment, conclusion will occur when any motion for a new trial has been denied, or the time within such a motion must be brought has expired without such a motion being made. At that time, all documents neither received in evidence, nor marked for identification only, shall be released by the clerk to plaintiff's representatives. Notwithstanding this order, the parties may at any time by written stipulation filed with the clerk obtain release of any or all such unused materials.

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[1] Exhibits in evidence No. 500-40; JJJ; KKK; LLL: MMM; NNN; OOO; PPP; QQQ; RRR; and 500-QQQQ.

Exhibits for identification only No. JJJJ; Series 500-DDDD, EEEE, FFFF, GGGG, HHHH, IIII, NNNN-1, OOOO, ZZZZ, CCCCC, GGGGG, IIIII, KKKKK, LLLLL, OOOOO, PPPPP, QQQQQ, BBBBBB, OOOOOO, BBBBBBB.

Defendant and his counsel are free to speak or communicate upon any of Defendant Armstrong's recollections of his life as a Scientologist or the contents of any exhibit received in evidence or marked for identification and not specifically ordered sealed. As to all documents, and other materials held under seal by the clerk, counsel and the defendant shall remain subject to the same injunctions as presently exist, at least until the conclusion of the proceedings on the cross complaint. However, in any other legal proceedings in which defense counsel, or any of them, is of record, such counsel shall have the right to discuss exhibits under seal, or their contents, if such is reasonably necessary and incidental to the proper representation of his or her client.

Further, if any court of competent jurisdiction orders defendant or his attorney to testify concerning the fact of any such exhibit, document, object, or its contents, such testimony shall be given, and no violation of this order will occur. Likewise, defendant and his counsel may discuss the contents of any documents under seal or of any matters as to which this court has found to be privileged as between the parties hereto, with any duly constituted Governmental Law Enforcement Agency or submit any exhibits or declarations thereto concerning such document or materials, without violating any order of this court.

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This court will retain jurisdiction to enforce, modify, alter, or terminate any injunction included within the Judgment.

Counsel for defendant is ordered to prepare, serve, and file a Judgment on the Complaint and Complaint in Intervention, and Statement of Decision if timely and properly requested, consistent with the court's intended decision.

Discussion

The court has found the facts essentially as set forth in defendant's trial brief, which as modified, is attached as an appendix to this memorandum. In addition the court finds that while working for L.R. Hubbard (hereinafter referred to as LRH), the defendant also had an informal employer-employee relationship with plaintiff Church, but had permission and authority from plaintiffs and LRH to provide Omar Garrison with every document or object that was made available to Mr. Garrison, and further, had permission from Omar Garrison to take and deliver to his attorneys the documents and materials which were subsequently delivered to them and thenceforth into the custody of the County Clerk.

Plaintiff Church has made out a prima facie case of conversion (as bailee of the materials), breach of fiduciary duty, and breach of confidence (as the former employer who provided confidential materials to its then employee for certain specific purposes, which the employee later used for other purposes to plaintiff's detriment). Plaintiff Mary Jane Hubbard has likewise made out a prima facie case of conversion

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and invasion privacy (misuse by a pe n of private matters entrusted to him for certain specific purposes only).

While defendant has asserted various theories of defense, the basic thrust of his testimony is that he did what he did, because he believed that his life, physical and mental well being, as well as that of his wife were threatened because the organization was aware of what he knew about the life of LRH, the secret machinations and financial activities of the Church, and his dedication to the truth. He believed that the only way he could defend himself, physically as well as from harassing lawsuits, was to take from Omar Garrison those materials which would support and corroborate everything that he had been saying within the Church about LRH and the Church, or refute the allegations made against him in the April 22 Suppressive Person Declare. He believed that the only way he could be sure that the documents would remain secure for his future use was to send them to his attorneys, and that to protect himself, he had to go public so as to minimize the risk that LRH, the Church, or any of their agents would do him physical harm.

This conduct if reasonably believed in by defendant and engaged in by him in good faith, finds support as a defense to the plaintiff's charges in the Restatements of Agency, Torts, and case law.

Restatement of Agency, Second, provides:

> "Section 395f: An agent is privileged to reveal information confidentially acquired by him in the course of his agency in the protection of a superior interest of himself or a third person.

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"Section 418: An agent is privileged to protect interests of his own which are superior to those of the principal, even though he does so at the expense of the principal's interest or in disobedience to his orders."

Restatement of torts, Second, section 271:

"One is privileged to commit an act which would otherwise be a trespass to or a conversion of a chattel in the possession of another, for the purpose of defending himself or a third person against the other, under the same conditions which would afford a privilege to inflict harmful or offensive contact upon the other for the same purpose."

The Restatement of Torts, Second, section 652a, as well as case law, make it clear that not all invasions of privacy are unlawful or tortious. It is only when the invasion is unreasonable that it becomes actionable. Hence, the trier of fact must engage in a balancing test, weighing the nature and extent of the invasion, as against the purported justification therefore to determine whether in a given case, the particular invasion or intrusion was unreasonable.

In addition the defendant has asserted as a defense the principal involved in the case of Willig v. Gold, 75 Cal.App.2d, 809, 814, which holds that an agent has a right or privilege to disclose his principal's dishonest acts to the party prejudicially affected by them.

Plaintiff Church has asserted and obviously has certain rights arising out of the First Amendment. Thus, the court cannot, and has not, inquired into or attempted to evaluate the merits, accuracy, or truthfulness of Scientology or any of its precepts as a religion. First Amendment rights, however, cannot be utilized by the Church or its members, as a sword to preclude the defendant, whom the Church is suing, from defending himself. Therefore, the actual practices of the Church or its members, as it relates to the reasonableness of the defendant's conduct and his state of mind are relevant, admissible, and have been considered by the court.

As indicated by its factual findings, the court finds the testimony of Gerald and Jocelyn Armstrong, Laurel Sullivan, Nancy Dincalcis, Edward Walters, Omar Garrison, Kima Douglas, and Howard Schomer to be credible, extremely persuasive, and the defense of privilege or justification established and corroborated by this evidence. Obviously, there are some discrepancies or variations in recollections, but these are the normal problems which arise from lapse of time, or from different people viewing matters or events from different perspectives. In all critical and important matters, their testimony was precise, accurate, and rang true. The picture painted by these former dedicated Scientologists, all of whom were intimately involved with LRH, or Mary Jane Hubbard, or of the Scientology Organization, is on the one hand pathetic, and on the other, outrageous. Each of these persons literally gave years of his or her respective life in support of a man, LRH, and his ideas. Each has manifested a waste and loss or frustration which is incapable of description. Each has broken with the movement for a variety of reasons, but at the same time, each is, still bound by the knowledge that the Church has

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in its posse. on his or her most inner oughts and confessions, all recorded in "pre-clear (P.C.) folders" or other security files of the organization, and that the Church or its minions is fully capable of intimidation or other physical or psychological abuse if it suits their ends. The record is replete with evidence of such abuse.

In 1970 a police agency of the French Government conducted an investigation into Scientology and concluded, "this sect, under the pretext of 'freeing humans' is nothing in reality but a vast enterprise to extract the maximum amount of money from its adepts by (use of) pseudo-scientific theories, by (use of) 'auditions' and 'stage settings' (lit. to create a theatrical scene') pushed to extremes (a machine to detect lies, its own particular phraseology . .), to estrange adepts from their families and to exercise a kind of blackmail against persons who do not wish to continue with this sect."[2] From the evidence presented to this court in 1984, at the very least, similar conclusions can be drawn. In addition to violating and abusing its own members civil rights, the organization over the years with its "Fair Game" doctrine has harassed and abused those persons not in the Church whom it perceives as enemies. The organization clearly is schizophrenic and paranoid, and this bizarre combination seems to be a reflection of its founder LRH. The evidence portrays a man who has been virtually a pathological liar when it comes to his history, background, and achievements. The writings and documents in evidence additionally reflect his egoism, greed, avarice, lust for power, and vindictiveness and aggressiveness against persons perceived by him to be disloyal or hostile. At the same time it appears that he is charismatic and highly capable of motivating, organizing, controlling, manipulating, and inspiring his adherents. He has been referred to during the trial as a "genius," a "revered person," a man who was "viewed by his followers in awe." Obviously, he is and has been a very complex person, and that complexity is further reflected in his alter ego, the Church of Scientology. Notwithstanding protestations to the contrary, this court is satisfied that LRH runs the Church in all ways through the Sea Organization, his role of Commodore, and the Commodore's Messengers.[3] He has, of course, chosen to go into "seclusion," but he maintains contact and control through the top messengers. Seclusion has its light and dark side too. It adds to his mystique, and yet shields him from accountability and subpoena or service of summons.

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[2] Exhibit 500-HHHHH.

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LRH's wife, Mary Sue Hubbard is also a plaintiff herein. On the one hand she certainly appeared to be a pathetic individual. She was forced from her post as Controller, convicted and imprisoned as a felon, and deserted by her husband. On the other hand her credibility leaves much to be desired. She struck the familiar pose of not seeing, hearing, or knowing a[illegible] evil. Yet she was the head of the Guardian Office for years and among other things, authored the infamous order "GO 121669"[4] which directed culling of supposedly confidential P.C. files/folders for purposes of internal security. In her testimony she expressed the feeling that defendant by delivering the documents, writings, letters to his attorneys, subjected her to mental rape. The evidence is clear and the court finds that defendant and Omar Garrison had permission to utilize these documents for the purpose of Garrison's proposed biography. The only other persons who were shown any of the documents were defendant's attorneys, the Douglasses, the Dincalcis, and apparently some documents specifically affecting LRH's son "Nibs," were shown to "Nibs." The Douglasses and Dincalcises were disaffected Scientologists who had a concern for their own safety and mental security, and were much in the same situation as defendant. They had not been declared as suppressive, but Scientology had their P.C. folders, as well as other confessions, and they were extremely apprehensive. They did not see very many of the documents, and it is not entirely clear which they saw. At any rate Mary Sue Hubbard did not appear to be so much distressed by this fact, as by the fact that Armstrong had given the documents to Michael Flynn, whom the Church considered its foremost lawyer-enemy.⁵ However, just as the plaintiffs have First Amendment rights, the defendant has a Constitutional right to an attorney of his own choosing. In legal contemplation the fact that defendant selected Mr. Flynn rather than some other lawyer cannot by itself be tortious. In determining whether the defendant unreasonably invaded Mrs. Hubbard's privacy, the court is satisfied the invasion was slight, and the reasons and justification for defendant's conduct manifest. Defendant was told by Scientology to get an attorney. He was declared an enemy by the Church. He believed, reasonably, that he was subject to "fair game." The only way he could defend himself, his integrity, and his wife was to take that which was available to him and place it in a safe harbor, to wit, his lawyer's custody. He may have engaged in overkill, in the sense that he took voluminous materials, some of which appear only marginally relevant to his defense. But he was not a lawyer and cannot be held to that precise standard of judgment. Further, at the time that he was accumulating the material, he was terrified and undergoing severe emotional turmoil. The court is satisfied that he did not unreasonably intrude upon Mrs. Hubbard's privacy under the circumstances by in effect simply making his knowledge that of his attorneys. It is, of course, rather ironic that the person who authorized G.O. order 121669 should complain about an invasion of privacy. The

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[3] See Exhibit K: Flag Order 3729 - 15 September 1978 "Commodore's Messengers."

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[4] Exhibit AAA.

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5. "No, I think my emotional distress and upset is the fact that someone took papers and materials without my authorization and then gave them to your Mr. Flynn." Reporter's Transcript, p. 1006.

practice of culling supposedly confidental "P.C. folders or files" to obtain information for purposes of intimidation and/or harassment is repugnant and outrageous. The Guardian's Office, which plaintiff headed, was no respector of anyone's civil rights, particularly that of privacy. Plaintiff Mary Sue Hubbard's cause of action for conversion must fail for the same reason as plaintiff Church. The documents were all together in Omar Garrison's possession. There was no rational way the defendant could make any distinction.

Insofar as the return of documents is concerned, matters which are still under seal may have evidentiary value in the trial of the cross complaint or in other third party litigation. By the time that proceedings on the cross complaint are concluded, the court's present feeling is that those documents or objects not used by that time should be returned to plaintiff. However, the court will reserve jurisdiction to reconsider that should circumstances warrant.

Dated: June 20, 1984

PAUL G. BRECKENRIDGE, JR.
Judge of the Superior Court

THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED IS A FULL TRUE AND CORRECT COPY OF THE ORIGINAL ON FILE AND OF RECORD IN MY OFFICE.

ATTEST SEP 11 1984 19

JOHN J. CORCORAN, County Clerk and Clerk of the Superior Court of California, County of Los Angeles

BY S. Hurst DEPUTY

S. HURST

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Appendix

Defendant Armstrong was involved with Scientology from 1969 through 1981, a period spanning 12 years. During that time he was a dedicated and devoted member who revered the founder, L. Ron Hubbard. There was little that Defendant Armstrong would not do for Hubbard or the Organization. He gave up formal education, one-third of his life, money and anything he could give in order to further the goals of Scientology, goals he believed were based upon the truth, honesty, integrity of Hubbard and the Organization.

From 1971 through 1981, Defendant Armstrong was a member of the Sea Organization, a group of highly trained scientologists who were considered the upper echelon of the Scientology organization. During those years he was placed in various locations, but it was never made clear to him exactly which Scientology corporation he was working for. Defendant Armstrong understood that, ultimately, he was working for L. Ron Hubbard, who controlled all Scientology finances, personnel, and operations while Defendant was in the Sea Organization.

Beginning in 1979 Defendant Armstrong resided at Gilman Hot Springs, California, in Hubbard's "Household Unit." The Household Unit took care of the personal wishes and needs of Hubbard at many levels. Defendant Armstrong acted as the L. Ron Hubbard Renovations In-Charge and was responsible for renovations, decoration, and maintenance of Hubbard's home and office at Gilman Hot Springs.

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In January of 1980 there was an announcement of a possible raid to be made by the FBI or other law enforcement agencies of the property. Everyone on the property was required by Hubbard's representatives, the Commodore's Messengers, to go through all documents located on the property and "vet" or destroy anything which showed that Hubbard controlled Scientology organizations, retained financial control, or was issuing orders to people at Gilman Hot Springs.

A commercial paper shredder was rented and operated day and night for two weeks to destroy hundreds of thousands of pages of documents.

During the period of shredding, Brenda Black, the individual responsible for storage of Hubbard's personal belongings at Gilman Hot Springs, came to Defendant Armstrong with a box of documents and asked whether they were to be shredded. Defendant Armstrong reviewed the documents and found that they consisted of a wide variety of documents including Hubbard's personal papers, diaries, and other writings from a time before he started Dianetics in 1950, together with documents belonging to third persons which had apparently been stolen by Hubbard or his agents. Defendant Armstrong took the documents from Ms. Black and placed them in a safe location on the property. He then searched for and located another twenty or more boxes containing similar materials, which were poorly maintained.

On January 8, 1980, Defendant Armstrong wrote a petition to Hubbard requesting his permission to perform the research for a biography to be done about his life. The petition states

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that Defendant Armstrong had located the subject materials and lists of a number of activities he wished to perform in connection with the biography research.

Hubbard approved the petition, and Defendant Armstrong became the L. Ron Hubbard Personal Relations Officer Researcher (PPRO Res). Defendant claims that this petition and its approval forms the basis for a contract between Defendant and Hubbard. Defendant Armstrong's supervisor was then Laurel Sullivan, L. Ron Hubbard's Personal Public Relations Officer.

During the first part of 1980, Defendant Armstrong moved all of the L. Ron Hubbard Archives materials he had located at Gilman Hot Springs to an office in the Church of Scientology Cedars Complex in Los Angeles. These materials comprised approximately six file cabinets. Defendant Armstrong had located himself in the Cedars Complex, because he was also involved in "Mission Corporate Category Sort-Out," a mission to work out legal strategy. Defendant Armstrong was involved with this mission until June of 1980.

It was also during this early part of 1980 that Hubbard left the location in Gilman Hot Springs, California, and went into hiding. Although Defendant Armstrong was advised by Laurel Sullivan that no one could communicate with Hubbard, Defendant Armstrong knew that the ability for communication existed, because he had forwarded materials to Hubbard at his request in mid-1980.

Because of this purported inability to communicate with Hubbard, Defendant Armstrong's request to purchase biographical materials of Hubbard from people who offered them for sale went

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to the Commoc. 's Messenger Organization, the personal representatives of Hubbard.

In June of 1980 Defendant Armstrong became involved in the selection of a writer for the Hubbard biography. Defendant Armstrong learned that Hubbard had approved of a biography proposal prepared by Omar Garrison, a writer who was not a member of Scientology. Defendant Armstrong had meetings with Mr. Garrison regarding the writing of the biography and what documentation and assistance would be made available to him. As understood by Mr. Garrison, Defendant Armstrong represented Hubbard in these discussions.

Mr. Garrison was advised that the research material he would have at his disposal were Hubbard's personal archives. Mr. Garrison would only undertake a writing of the biography if the materials provided to him were from Hubbard's personal archives, and only if his manuscript was subject to the approval of Hubbard himself.

In October of 1980 Mr. Garrison came to Los Angeles and was toured through the Hubbard archives materials that Defendant Armstrong had assembled up to that time. This was an important "selling point" in obtaining Mr. Garrison's agreement to write the biography. On October 30, 1980, an agreement was entered into between Ralston-Pilot, Inc. F/S/O Omar V. Garrison, and AOSH DK Publications of Copenhagen, Denmark, for the writing of a biography of Hubbard.

Paragraph 10B of the agreement states that:

> "Publisher shall use its best efforts to provide Author with an office, an officer assistant and/or

> research assistant, office supplies and any needed archival and interview materials in connection with the writing of the Work."

The "research assistant" provided to Mr. Garrison was Defendant Armstrong.

During 1980 Defendant Armstrong exchanged correspondence with Intervenor regarding the biography project. Following his approval by Hubbard as biography researcher, Defendant Armstrong wrote to Intervenor on February 5, 1980, advising her of the scope of the project. In the letter Defendant stated that he had found documents which included Hubbard's diary from his Orient trip, poems, essays from his youth, and several personal letters, as well as other things.

By letter of February 11, 1980, Intervenor responded to Defendant, acknowledging that he would be carrying out the duties of Biography Researcher.

On October 14, 1980, Defendant Armstrong again wrote to Intervenor, updating her on "Archives materials" and proposing certain guidelines for the handling of those materials.

It was Intervenor who, in early 1981, ordered certain biographical materials from "Controller Archives" to be delivered to Defendant Armstrong. These materials consisted of several letters written by Hubbard in the 1920's and 1930's, Hubbard's Boy Scout books and materials, several old Hubbard family photographs, a diary kept by Hubbard in his youth, and several other items.

Defendant Armstrong received these materials upon the order of Intervenor, following his letter of October 15, 1980, to her in which Defendant stated, at page 7, that there were materials in the "Controller Archives" that would be helpful to him in the biography research.

After these materials were delivered to Defendant Armstrong, Intervenor was removed from her Scientology position of Controller in 1981, presumably because of her conviction for the felony of obstruction of justice in connection with the theft of Scientology documents from various government offices and agencies in Washington, D.C.

During the time Defendant Armstrong worked on the biography project and acted as Hubbard Archivist, there was never any mention that he was not to be dealing with Hubbard's personal documents or that the delivery of those documents to Mr. Garrison was not authorized.

For the first year or more of the Hubbard biography and archive project, funding came from Hubbard's personal staff unit at Gilman Hot Springs, California. In early 1981, however, Defendant Armstrong's supervisor, Laurel Sullivan, ordered him to request that funding come from what was known as SEA Org Reserves. Approval for this change in funding came from the SEA Org Reserves Chief and Watch Dog Committee, the top Commodores Messenger Organization unit, who were Hubbard's personal representatives.

From November of 1980 through 1981, Defendant Armstrong worked closely with Mr. Garrison, assembling Hubbard's archives into logical categories, copying them and arranging the copies of the Archives materials into bound volumes. Defendant Armstrong made two copies of almost all documents copied for

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Mr. Garrison - one for Mr. Garrison and the other to remain in Hubbard Archives for reference or recopying. Defendant Armstrong created approximately 400 binders of documents. The vast majority of the documents for Mr. Garrison came from Hubbard's personal Archives, of which Defendant Armstrong was in charge. Materials which came from other Archives, such as the Controller Archives, were provided to Defendant Armstrong by Scientology staff members who had these documents in their care.

It was not until late 1981 that Plaintiff was to provide a person to assist on the biography project by providing Mr. Garrison with 'Guardian Office' materials, otherwise described as technical materials relating to the operation of Scientology. The individual appointed for this task was Vaughn Young. Controller Archives and Guardian Office Archives had no connection to the Hubbard Archives, which Defendant Armstrong created and maintained as Hubbard's personal materials.

In addition to the assemblage of Hubbard's Archives, Defendant Armstrong worked continually on researching and assembling materials concerning Hubbard by interviewing dozens of individuals, including Hubbard's living aunt, uncle, and four cousins. Defendant Armstrong did a geneology study of Hubbard's family and collected, assembled, and read hundreds of thousands of pages of documentation in Hubbard's Archives.

During 1980 Defendant Armstrong remained convinced of Hubbard's honesty and integrity and believed that the representations he had made about himself in various publications were truthful. Defendant Armstrong was devoted to

Hubbard and was convinced that any information which he discovered to be unflattering of Hubbard or contradictory to what Hubbard has said about himself, was a lie being spread by Hubbard's enemies. Even when Defendant Armstrong located documents in Hubbard's Archives which indicated that representations made by Hubbard and the Organization were untrue, Defendant Armstrong would find some means to "explain away" the contradictory information.

Slowly, however, throughout 1981, Defendant Armstrong began to see that Hubbard and the Organization had continuously lied about Hubbard's past, his credentials, and his accomplishments. Defendant Armstrong believed, in good faith, that the only means by which Scientology could succeed in what Defendant Armstrong believed was its goal of creating an ethical environment on earth, and the only way Hubbard could be free of his critics, would be for Hubbard and the Organization to discontinue the lies about Hubbard's past, his credentials, and accomplishments. Defendant Armstrong resisted any public relations piece or announcement about Hubbard which the L. Ron Hubbard Public Relations Bureau proposed for publication which was not factual. Defendant Armstrong attempted to change and make accurate the various "about the author" sections in Scientology books, and further, Defendant rewrote or critiqued several of these and other publications for the L. Ron Hubbard Public Relations Bureau and various Scientology Organizations. Defendant Armstrong believed and desired that the Scientology Organization and its leader discontinue the perpetration of the

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massive fraud upon the innocent followers of Scientology, and the public at large.

Because of Defendant Armstrong's actions, in late November of 1981, Defendant was requested to come to Gilman Hot Springs by Commodore Messenger Organization Executive, Cirrus Slevin. Defendant Armstrong was ordered to undergo a "security check," which involved Defendant Armstrong's interrogation while connected to a crude Scientology lie detector machine called an E-meter.

The Organization wished to determine what materials Defendant Armstrong had provided to Omar Garrison. Defendant Armstrong was struck by the realization that the Organization would not work with him to correct the numerous fraudulent representations made to followers of Scientology and the public about L. Ron Hubbard and the Organization itself. Defendant Armstrong, who, for twelve years of his life, had placed his complete and full trust in Mr. and Mrs. Hubbard and the Scientology Organization, saw that his trust had no meaning and that the massive frauds perpetrated about Hubbard's past, credentials, and accomplishments would continue to be spread.

Less than three weeks before Defendant Armstrong left Scientology, he wrote a letter to Cirrus Slevin on November 25, 1981, in which it is clear that his intentions in airing the inaccuracies, falsehoods, and frauds regarding Hubbard were done in good faith. In his letter he stated as follows:

> "If we present inaccuracies, hyperbole or downright lies as fact or truth, it doesn't matter what slant we give them, if

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disproved the man will look, to outsiders at least, like a charlatan. This is what I'm trying to prevent and what I've been working on the past year and a half.

. . .

"and that is why I said to Norman that it is up to us to insure that everything which goes out about LRH is one hundred percent accurate. That is not to say that opinions can't be voiced, they can. And they can contain all the hype you want. But they should not be construed as facts. And anything stated as a fact should be documentable.

"We are in a period when 'investigative reporting' is popular, and when there is relatively easy access to documentation on a person. We can't delude ourselves I believe, if we want to gain public acceptance and cause some betterment in society, that we can get away with statements, the validity of which we don't know.

"The real disservice to LRH, and the ultimate make-wrong is to go on assuming that everything he's ever written or said is one hundred percent accurate and publish it as such without verifying it. I'm

> talking here about biographical or non-technical writings. This only leads, should any of his statements turn out to be inaccurate, to a make-wrong of him, and consequently his technology.
>
> "That's what I'm trying to remedy and prevent.
>
> . . .
>
> "To say that LRH is not capable of hype, errors or lies is certanly ^sic^ not granting him much of a beingness. To continue on with the line that he has never erred nor lied is counterproductive. It is an unreal attitude and too far removed from both the reality and people in general that it would widen public unacceptance.
>
> . . . . .
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> ". . . That is why I feel the falsities must be corrected, and why we must verify our facts and present them in a favorable light."

The remainder of the letter contains examples of facts about Hubbard which Defendant Armstrong found to be wholly untrue or inaccurate and which were represented as true by the Hubbards and the Scientology Organization.

In December of 1981 Defendant Armstrong made the decision to leave the Church of Scientology. In order to continue in

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his commitment to Hubbard and Mr. Garrison in the biography project, he copied a large quantity of documents, which Mr. Garrison had requested or which would be useful to him for the biography. Defendant Armstrong delivered all of this material to Mr. Garrison the date he left the SEA Organization and kept nothing in his possession.

Thereafter, Defendant Armstrong maintained friendly relations with Hubbard's representatives by returning to the Archives office and discussing the various categories of materials. In fact on February 24, 1982, Defendant Armstrong wrote to Vaughn Young, regarding certain materials Mr. Young was unable to locate for Omar Garrison.

After this letter was written, Defendant Armstrong went to the Archives office and located certain materials Mr. Garrison had wanted which Hubbard representatives claimed they could not locate.

At the time Defendant Armstrong left the SEA Organization, he was disappointed with Scientology and Hubbard, and also felt deceived by them. However, Defendant Armstrong felt he had no enemies and felt no ill will toward anyone in the Organization or Hubbard, but still believed that a truthful biography should be written.

After leaving the SEA Organization, Defendant ARmstrong continued to assist Mr. Garrison with the Hubbard biography project. In the spring of 1982, Defendant Armstrong at Mr. Garrison's request, transcribed some of his interview tapes, copied some of the documentation he had, and assembled several more binders of copied materials. Defendant Armstrong also set up shelves for Mr. Garrison for all the biography research materials, worked on a cross-reference systems, and continued to do library research for the biography.

On February 18, 1982, the Church of Scientology International issued a "Suppressive Person Declare Gerry Armstrong," which is an official Scientology document issued against individuals who are considered as enemies of the Organization. Said Suppressive Person Declare charged that Defendant Armstrong had taken an unauthorized leave and that he was spreading destructive rumors about Senior Scientologists.

Defendant Armstrong was unaware of said Suppressive Person Declare until April of 1982. At that time a revised Declare was issued on April 22, 1982. Said Declare charged Defendant Armstrong with 18 different "Crimes and High Crimes and Suppressive Acts Against the Church." The charges included theft, juggling accounts, obtaining loans on money under false pretenses, promulgating false information about the Church, its founder, and members, and other untruthful allegations designed to make Defendant Armstrong an appropriate subject of the Scientology "Fair Game Doctrine." Said Doctrine allows any suppressive person to be "tricked, cheated, lied to, sued, or destroyed."

The second declare was issued shortly after Defendant Armstrong attempted to sell photographs of his wedding on board Hubbard's ship (in which Hubbard appears), and photographs belonging to some of his friends, which also included photos of L.R. Hubbard while in seclusion. Although Defendant Armstrong delivered the photographs to a Virgil Wilhite for sale, he

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never received payment or return of his friend's photographs. When he became aware that the Church had these photographs, he went to the Organization to request their return. A loud and boisterous argument ensued, and he eventually was told to leave the premises and get an attorney.

From his extensive knowledge of the covert and intelligence operations carried out by the Church of Scientology of California against its enemies (suppressive persons), Defendant Armstrong became terrified and feared that his life and the life of his wife were in danger, and he also feared he would be the target of costly and harassing lawsuits. In addition, Mr. Garrison became afraid for the security of the documents and believed that the intelligence network of the Church of Scientology would break and enter his home to retrieve them. Thus, Defendant Armstrong made copies of certain documents for Mr. Garrison and maintained them in a separate location.

It was thereafter, in the summer of 1982, that Defendant Armstrong asked Mr. Garrison for copies of documents to use in his defense and sent the documents to his attorneys, Michael Flynn and Contos & Bunch.

After the within suit was filed on August 2, 1982, Defendant Armstrong was the subject of harassment, including being followed and surveilled by individuals who admitted employment by Plaintiff; being assaulted by one of these individuals; being struck bodily by a car driven by one of these individuals; having two attempts made by said individuals apparently to involve Defendant Armstrong in a freeway

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automobile accident; having said individuals come onto Defendant Armstrong's property, spy in his windows, create disturbances, and upset his neighbors. During trial when it appeared that Howard Schomer (a former Scientologist) might be called as a defense witness, the Church engaged in a somewhat sophisticated effort to suppress his testimony. It is not clear how the Church became aware of defense intentions to call Mr. Schomer as a witness, but it is abundantly clear they sought to entice him back into the fold and prevent his testimony.

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FIND A BETTER BASKET

A Literary Work Created and Written
by
GERALD ARMSTRONG

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I, Gerald Armstrong, declare:

1. I am making this declaration in response to allegations made by Scientology organization leaders, attorneys and agents in court proceedings and public media around the world concerning a 1984 organization intelligence operation targeting me, which has been called the "Armstrong Operation." I am copyrighting this document prior to its use in court because it will, in addition to putting the organization's allegations into a proper context, form an outline for a screenplay I am writing. It is my story.

2. After I left the organization at the end of 1981, the organization intelligence bureau assigned Dan Sherman, a Los Angeles spy story writer and intel operative, to get close to me and become my friend, which he did. I had been the intelligence officer on board the "Apollo" with the organization's founder and supreme leader L. Ron Hubbard, had studied his intelligence policies and Guardian's Office[1] intelligence materials, had an

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[1] The Guardian's Office ("GO"), headed from 1966 to 1981 by Mary Sue Hubbard, who reported to and was controlled by L. Ron Hubbard, consisted of five bureaus: Intelligence, Public Relations, Legal, Finance and Social Coordination (front groups). The GO was responsible for hiding its money and its actual command lines, defending the organization against attacks and for eliminating all opposition to its progress. Hubbard patterned its intelligence bureau, B-1, and the organization's total espionage mentality on the work of Reinhard Gehlen, Hitler's spy master. On Hubbard's orders, after the conviction of 11 top GO intelligence personnel, including Mary Sue, for criminal activities against the US Government, Scientology's second major arm of power, the Sea Organization, in a 1981 putsch took control of the GO's functions and subsequently renamed the GO arm the Office of Special Affairs, "OSA."

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appreciation for that literary genre, and I was myself a writer, so Sherman and I had a real basis for a real friendship.

3. Sherman told me he was no longer involved in Scientology, wanted nothing to do with it, saw it as a personal waste of time, and also saw that its leaders were ruthless and dangerous, and claimed to be afraid of them finding out that he was friends with me. Sometime in 1982 or 1983 he told me that he was still in communication in a limited way with some of his old friends still in the organization. He described these friends as smart, reasonable and not fanatics. They were still Scientologists and worked on staff, but felt that organization leaders were criminals. Having no allegiance to these leaders, Sherman's friends would occasionally tell him about conditions inside and their desire to end the organization's criminal activities. They said the conditions inside were oppressive and chaotic and they were at risk even talking to him because sec checks[2] were rampant.

4. During the 1984 trial of the organization's case against me, Church of Scientology of California and Mary Sue Hubbard v. Gerald Armstrong, Los Angles Superior Court no. C 420153 ("Armstrong I"), Sherman told me that one of these friends, whom he called "Joey," had told him that there was an

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[2] Sec checks are accusatory interrogations using Hubbard's electropsychometer or E-Meter as a lie detector. Sec checks could be brutal, could go on for many hours or days, could involve several people asking questions, threatening and badgering, and could have disastrous results for the interrogee.

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actual group inside the organization who were dedicated to reforming it because management had become suppressive. They called themselves the "Loyalists," claiming to be "loyal" to the preservation of the ideals of Scientology, "what worked." They also recognized that its leaders were criminal, crazy, dangerous, and not dedicated to those ideals but were acting to destroy them. The "Loyalists" wanted to take control in a well-planned, effective and peaceful action before some tragedy happened. They claimed to know of criminal activities and a key part of their plan was the documenting of these activities.

5. Sherman said they were 35 in number, or at least there were 35 who knew they were "Loyalists," all smart, reasonable and not fanatics. Some of them were his old friends from B-1. Such persons tended to be smart, reasonable and often were not fanatics. The people whom I knew to be, including Hubbard, the organization leaders, prided themselves on their recognition of unreasonableness as a virtue, and maintained an abiding fanaticism to justify their abuses and keep their positions of power. Sherman was smart and gave every appearance of being reasonable and unfanatical. He said the Loyalists knew he was in communication with me and wanted to talk with me but were afraid for their lives. This was not surprising to me because I knew from my own experiences that the organization had a brutal side and its leaders were dangerous, armed and desperate. Thus the first communications with the Loyalists were a few messages relayed by Sherman. They said that I had a proven record against

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the organization, that my integrity had been unshakable and they wanted my help.

6. A few days after the Armstrong I trial ended, Joey, who, I later learned, was actually one David Kluge, made the first direct contact with me, a phone call to my home in Costa Mesa, California. He said the Loyalists knew I wanted my pc folders[3], that my folders were being moved on a certain day and that I could get them if I wanted. I told Kluge that even though the folders were mine the organization would claim, if it was discovered I had them, that I was accepting stolen property, so I had to decline his offer. I was also already booked, on the same day the Loyalists said they would get me my pc folders, to fly to London to testify in a child custody case[4] involving

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[3] Pc folders, also called preclear or auditing files or folders, contain the record of processes run and questions asked by the auditor (psychotherapist), E-Meter reads, and answers given and statements made by the preclear (or patient) during Scientology auditing (or psychotherapy) sessions. It was well known that I had opposed and exposed the organization's misuse of information divulged by the organization's "preclears" (what were essentially psychotherapist-patient confidences) in auditing. I had been attempting to get the organization to deliver to me my pc folders throughout the Armstrong I litigation, and the misuse of auditing information was an issue in the Armstrong I trial. Judge Paul G. Breckenridge, Jr. stated in his decision following the 30-day Armstrong I trial: "[Mary Sue Hubbard] was the head of the Guardian Office for years and among other things, authored the infamous order "GO 121669" which directed culling of supposedly confidential P.C. files/folders for the purposes of internal security." "The practice of culling supposedly confidential "P.C. folders or files" to obtain information for purposes of intimidation and/or harassment is repugnant and outrageous. The Guardian's Office, which plaintiff [Mary Sue Hubbard] headed, was no respector of anyone's civil rights, particularly that of privacy."

[4] This Royal Courts of Justice case, known as Re: B and G

Scientology, and I told Kluge that I couldn't change my plans.

7. When I returned from the UK, where, incidentally, I had been harassed by a pack of English private investigators working for the organization, Kluge reestablished contact, and I communicated with him or Sherman several times over the next few months. I was happy to be in communication with them, because I'm happy to be in communication with anyone, and my relationship with the Loyalists, who were admitted Scientologists, seemed a spark of hope in the seemingly hopeless and threatening Scientology situation.

8. I have believed and stated that when Scientologists have the freedom to communicate to the people their leaders label "enemies," Scientology will cease to have enemies. The organization's leaders prohibit their minions from communicating with me, thus I am their enemy. This prohibition is enforced with severe "ethics" punishment, which could easily include "declaring" the person who dared to communicate with me a "suppressive" person, thus making him the target of the organization's philosophy and practice of opportunistic hatred Hubbard called "fair game."

9. I had lost my law office job because of the Armstrong I trial, which really ran from April into June, 1984, and I did not get another job for some months, so had considerable time on my

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[4] (Continued) (Wards), resulted in a Judgment on July 23, 1984 issued by Justice Latey in favor of the non-Scientologist parent. The Judgement, which was upheld on appeal, contained a scathing condemnation of organization policies and practices.

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hands in the fall of 1984 to meet with Sherman and the Loyalists and do some of the things they wanted. I had begun to draw and write seriously during this period, and some of my writings concerned the Scientology battle and the Loyalists. My situation with the organization and the Loyalists was bizarre and psychologically traumatic, and this is reflected in my writings of the period. Thanks to, I believe, my growing faith in God I was given the gift of a healthy sense of humor and that too is a facet of my communications and writings during the period.

10. In late July, 1984 the organization fed to the media the story, and filed papers in various court cases, including Armstrong I, charging, that Michael Flynn, who had fought the organization's fair game tactics for five years, who had been my friend and attorney for two years and had just successfully defended me in the Armstrong I trial, was behind a plot to cash a forged check for $2,000,000.00 on one of Hubbard's accounts at the Bank of New England. Sherman and Kluge communicated that the Loyalists knew Flynn was not involved, and that the organization leaders knew Flynn was uninvolved but were framing him with the forgery. The Loyalists said that they were working inside the organization to acquire the proof of the frame-up, and that when they proved Flynn's innocence they would be in a position to effectuate the reforms they sought. This was fine with me, because I fully believed that Flynn was innocent, and that the organization was framing him just to be able to attack him to eliminate the threat he represented to its antisocial practices

and nature.

11. Over the next few months Sherman and Kluge communicated with me regularly about the Loyalists' progress in documenting the truth about the Flynn frame-up. They claimed that all staff were searched before they could leave OSA or management offices, so it was hard to get any documents out. Nevertheless, on a couple of occasions Sherman and Joey gave me a page or two that had been smuggled out. I learned that a US Attorney in Boston had become involved in the investigation of the frame-up, and I passed whatever I got from the Loyalists to him through Flynn.

12. One of the ideas which developed with the Loyalists in the early fall of 1984 was the possible filing of a lawsuit to take control of the organization from the "criminals." I saw this as an idea with merit, and could be the effective action the Loyalists said they were looking for to avert a major organization tragedy. I told Flynn what they wanted and he drafted a "bare bones" complaint which I passed to them. Sherman, Kluge and I discussed the lawsuit concept on several occasions, both of them asking me for my ideas and I helped as I could within the limits of my knowledge, ability and imagination.

13. The Loyalists then began discussing with me finding a financial "backer" for their lawsuit, basing this need on the likelihood that the bringing of the suit would freeze organization accounts, and the Loyalists would need operating capital. They claimed that the leaders had lots of money they had skimmed from the organization and squirreled away in their

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own bank accounts, and the Loyalists were all staff members and thus broke. I couldn't help them with money, and knew of no one who might finance whatever they did, so they said that, because I understood the situation so well, and had a proven record, they wanted me to talk to and encourage some prospective backers with whom they were in touch. One day I got a call from Kluge, asking me to fly to Las Vegas to meet with such a person, a "rich Scientologist" who had been mistreated by the organization and was aligned with the Loyalists on their goal of reformation. Although on Kluge's instructions I purchased a plane ticket, I called off the trip before leaving because my lawyers warned me that I could be walking into a trap.

14. There were many times during this period when I considered the possibility that I was walking into a trap. The thought arose in all my meetings with Kluge, and later with Mike Rinder, the second Loyalist I would meet. Their communications often didn't jibe with what they or Sherman had said on earlier occasions, and sometimes they said things which were downright stupid. I had no way of originating a communication to them, had no telephone numbers, no locations, no names, and no idea what any of them did. They had my address, phone number, knew exactly what I did, and could call me any time they wanted. They told me almost nothing, and wanted to know everything I knew. They claimed I had to be kept in the dark because of their fear for their lives, and for that reason I went along with their, even to me, strange behavior.

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15. Because of their fear for their lives they depended on secrecy, duplicity and intelligence procedures and goals. Although I had been in intelligence in the organization and had the essential quality for the field; i.e., native intelligence, I had, after leaving the organization, come to the conclusion that Scientology's brand of intelligence; i.e., the secret world of data, duplicity, stealth, hidden intentions and hidden identities, was ineffective, unhealthy, unholy, and not my choice for how I would make my way through life and deal with my problems. Even inside the organization, which is an intelligence-based group, I had urged those who were in positions to do something about it to open up, stop lying, disclose its leaders, divulge its secrets; because I felt that its lies, secrets, and secret orders from its secret leaders would only bring upon it more problems. After leaving the organization, a factor in my life which led to my faith in openness and freedom as opposed to secrecy and leverage, was all the testifying I did, in trial in Armstrong I and in B & G Wards, and in many days of depositions in several more Scientology-related cases. Also I knew that the organization's leaders, who had an undeniable determination to harm me, possessed my pc folders which contained every embarrassing incident or thought in my life, and my lives back umpteen impossibillion years. These facts had resulted in a tendency in me at times during this period to not care what happened to me and to act a little wild and silly.

16. Sometime during 1984 it came to me that what I was

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following, and what was a far superior technology and faith than intelligence, or perhaps perfect intelligence, was guidance. I had been given, before and after my asking, a desire to know my Creator, and I believe I received during this period some of His communications to me. Hubbard in his writings put no faith in his Creator, but put it in something of his own making, an intelligence apparatus in which he was the secret leader with secret bank accounts, secret communication lines, secret codes, secret intentions, and secret lawyers to keep them all secret. I had come to know God a little, and understood that no matter how scary things got I was in hands in which I was in no real danger. I could be shot, my body could be destroyed, I could be defamed and ruined, and I would still be in no real danger. And things did get scary for me in my dealings with Sherman and the Loyalists during this period. I picked up surveillance on a number of occasions, and there was the nagging strangeness of the Loyalists' communications and the movie-like quality of this play in which I was being played with. I still retained my intellect and acted with good sense most of the time, but a shift was occurring in my mind and soul. I began to walk deliberately into danger, but I was also new at this approach to life, and as yet a little foolhardy and undisciplined, and these facts too are reflected in my writings and actions of the period.

17. Sherman's and Kluge's interest was intelligence and they didn't want to hear much of my philosophy of guidance, courage and openness, so I turned my mind to the intelligence

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game, and as always happens when I turn my mind to any subject, I had ideas. Some of these ideas I communicated to the Loyalists, some I wrote down, some were only funny. Our meetings had a secretive, spy story feel to them, partly because of the danger the Loyalists said they were in and the danger I was in anyone would say, partly because of the subject matter we discussed, and partly because of the settings in which we met. Sherman insisted that I couldn't come to his home, so we met on many occasions in the bird sanctuary in Griffith Park. My first meeting with Kluge was in a cemetery in Glendale. I met him two more times in early November at different locations in Griffith Park, and then met with Rinder two times in late November at two more locations in the park.

18. Sherman told me around October, 1984 that the Loyalists had found a potential backer, a woman named Rene, another "rich Scientologist," who he said had been horribly hurt by the organization. He said he knew her personally and considered her a good and trusted friend. He said that she owned a publishing company which printed calendars, that he had told her about my artwork and writing, and that she wanted to see some of my materials for possible publication. Following our first meeting in Griffith Park Kluge took me to the Sheraton Grand Hotel in downtown Los Angeles to meet her. I took along a file of some of my work and left it with her. In my meeting with her she wanted to know my perspective on the lawsuit idea and my thoughts on removing the organization's criminal leadership.

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19. While claiming that the Loyalists wanted to take legal action to bring about a safe transfer of power, both Sherman and Kluge also claimed that they didn't know anything about legal matters, nor any of the organization's litigations, and that there were other people higher up in the Loyalist network who were trained in legal, stayed abreast of the organization's litigation battles, and had an understanding of the Loyalists' legal options and an overview of their plan which Sherman and Kluge didn't have. Coupled with their claimed need to keep me in the dark for fear of their lives, their assertions of ignorance of legal matters caused considerable frustration in me and in our communications. As a result, I requested in a number of communications to speak to their "best legal mind."

20. Finally the Loyalists said that their legal expert would meet me and a rendezvous was set up, again in Griffith Park. The "legal expert" turned out to be Mike Rinder, a person I had known in the organization, who had held various lower level administrative posts. Rinder, it turned out, also professed ignorance of legal concepts, and my meetings and communications with him were even more frustrating.

21. Some time after my last meeting with Rinder, which occurred November 30, 1984, I received a phone call from Kluge, advising me that the Loyalists did not trust me and would not be communicating with me again. I then wrote them my final communication, a copy of which is appended hereto as Exhibit A, and gave it to Sherman to give to them.

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22. During my cross-examination in the spring, 1985 trial of Julie Christofferson v. Scientology, Circuit Court of the State of Oregon, Multnomah County, No. A7704-05184, the organization broke the fact that Sherman, Kluge and Rinder had been covert operatives, the Loyalists were invented, and that my meetings with Kluge and Rinder had been videotaped. The organization called the whole more than two year affair the "Armstrong Operation." Organization lawyers, Earle Cooley and John Peterson, claimed the Armstrong operation had been authorized by the Los Angeles Police Department, and they produced a letter dated November 7, 1984, a copy of which is appended hereto as Exhibit B, signed by an officer Phillip Rodriguez, directing organization private investigator Eugene M. Ingram to electronically eavesdrop on me and Michael Flynn.

23. On April 23, 1985, Los Angeles Police Chief Darryl F. Gates issued a public statement, a copy of which is appended hereto as Exhibit C, denying that the Rodriguez letter was a correspondence from the Los Angeles Police Department, denying that the Los Angeles Police Department had cooperated with Ingram, and stating emphatically that all purported authorizations directed to Ingram by any member of the Los Angeles Police Department are invalid and unauthorized. On information and belief, the officer, Phillip Rodriguez, who signed Ingram's letter was paid $10,000.00 for his signature. Also on information and belief, following a Los Angeles Police Department Internal Affairs Division investigation and a Police

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Department Board of Rights, Officer Rodriguez was suspended from the Los Angeles Police Force. Eugene Ingram had himself some years before been drummed out of the Los Angeles Police Department. He is reputed to have been busted for pandering and taking payoffs from drug dealers. He is a liar and a bully who has been involved in organization intelligence operations against its perceived enemies for many years. During the period I was involved with the Loyalists Ingram called me at my home and threatened to put a bullet between my eyes.

24. Initially the presiding judge in the Christofferson trial Donald F. Londer refused to admit the tapes because they had been obtained illegally. Then he viewed them in chambers and when he returned to the bench stated that "the tapes are damaging, very damaging to the church." Then he admitted them into evidence.

25. Despite Judge Londer's ruling and comments, and despite Chief Gates' repudiation of the Rodriguez "authorization," the organization has continued in press and courts around the world to claim that the videotape operation was "police-sanctioned." The organization has continued to claim that I originated the "plot to overthrow "church" management" and that I initiated the contact with the organization members, who merely played along with my plan while remaining "loyal" to the organization. It also has continued to claim that the videotapes show me plotting to forge documents and seed them in organization files to be found in a raid, show me creating "sham lawsuits," show me urging

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the Loyalists to not prove anything but "just allege it," and show me seeking to take control of the organization. The videotapes show none of those things. The tapes show that in the fall of 1984, during the reign of the organization's present supreme leader David Miscavige (DM), the fair game doctrine was alive and as unfair as ever. The tapes show a mean-spirited, mendacious and malevolent organization using well-drilled operatives and electronic gadgetry to attempt, unsuccessfully, to set up an unwitting, funny, sometimes silly, clearly helpful, at times foul-mouthed, but otherwise ordinary human male.

26. The organization's refusal to stop telling these lies is not surprising, however, because its leaders have put so many of their eggs in their dirty tricks basket. These leaders are unbalanced and in a very precarious situation. Having lied about the Armstrong Operation in so many courts and publications and to so many people, including their own followers, these leaders risk their positions of power, and in their minds their very lives, if they ever admit the breadth of those lies. Yet it is in the acknowledgement of the truth behind those lies where ultimately their safety will be found.

27. It has not ceased to be embarrassing to me whenever the organization trots out the Armstrong videotapes, because I do say some silly and raunchy things. But the organization has never been able to embarrass me into silence and it won't now.

28. The Scientology legal war has almost run its course. The organization's leaders can never rewrite all history.

Scientologists of good will everywhere can be free.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at San Anselmo, California, on February 20, 1994.

GERALD ARMSTRONG

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C

EUGENE M. INGRAM
INGRAM INVESTIGATIONS
California License Number AA9387
1212 North Vermont Avenue
Los Angeles, California 90029

November 7, 1984

5641

To: EUGENE M. INGRAM, PRIVATE INVESTIGATOR

From: PHILLIP RODRIGUEZ, POLICE OFFICER, NORTHEAST DIVISION, CITY OF LOS ANGELES

I hereby direct EUGENE M. INGRAM and his employees/agents or other persons acting under his direction, to intentionally and without the consent of all parties to a confidential communication, by means of any electronic amplifying or recording device, eavesdrop upon or record such confidential communication, whether such communication is carried on among such parties in the presence of one another or by means of a telegraph, telephone or other device, for the period November 7, 1984 thru November 14, 1984; provided however, that if recordings are accomplished on any day during the above period, EUGENE M. INGRAM is to report the results to me for further direction by me.

This authorization shall specifically pertain to the investigation of GERRY ARMSTONG, MICHAEL J. FLYNN, AND OTHERS NOT KNOWN AT THIS TIME, regarding possible criminal violations of, but not limited to, California Penal Code §664 (Attempts), §134 (Preparing False Documentary Evidence), §182 (Conspiracy) and/or any other violations of criminal laws.

This authorization is in compliance with California Penal Code §633.

Signed in Los Angeles, California, on November 7, 1984.

OFFICER PHILLIP RODRIGUEZ
SERIAL NUMBER 16924
LOS ANGELES POLICE DEPARTMENT

EXHIBIT "A"

5642

D

April 23, 1985

PUBLIC ANNOUNCEMENT
BY
DARYL F. GATES
CHIEF OF POLICE, LOS ANGELES

It has come to my attention that a member of the L. A. P. D. very foolishly, without proper authorization and contrary to the policy of this Department, signed a letter to Eugene M. Ingram, believed to have been drafted by Ingram himself. The letter purports to authorize Ingram to engage in electronic eavesdropping. The letter, along with all the purported authorization, is invalid and is NOT a correspondence from the Los Angeles Police Department.

The Los Angeles Police Department has not cooperated with Eugene Ingram. It will be a cold day in hell when we do.

I have directed an official letter to Ingram informing him that the letter signed by Officer Phillip Rodriguez dated November 7, 1984, and all other letters of purported authorizations directed to him, signed by any member of the Los Angeles Police Department, are invalid and unauthorized.

Internal Affairs Division is now investigating the entire incident.

THIS IS TO CERTIFY THAT I HAVE EXAMINED THE ORIGINAL OF THIS DOCUMENT AND FIND THIS REPRODUCTION TO BE A TRUE COPY OF SAME MADE WITHOUT ALTERATIONS OR ERASURES.

By Sgt E [illegible] 14828
RECORDS & IDENTIFICATION DIVISION
LOS ANGELES POLICE DEPARTMENT

Dated: 5-16-85

393

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES;

I am employed in the County of Los Angeles, state of California. I am over the age of eighteen (18) and not a party to the within action; my business address is: 221 North Figueroa Street, Suite 1200, Los Angeles, California 90012.

On March 9, 1994, I served the following document (s) described as:

DECLARATION OF GERALD ARMSTRONG RE: MOTION FOR COSTS

on interested parties in this action by placing ___ the original X a true copy thereof enclosed in a sealed envelope addressed as follows:

SEE ATTACHED SERVICE LIST

( ) (BY TELECOPIER) I caused such document to be faxed to the addressee.

(X) (BY MAIL) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at Los Angeles, California.

( ) (BY PERSONAL DELIVERY) I caused such envelope to be delivered by hand to the office of the addressee.

(X) (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

( ) (FEDERAL) I declare that I am employed in the office of a member of this court at whose direction the service was made.

As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. Postal Service on this same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

(X) I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that this declaration was executed on March 9, 1994, at Los Angeles, California.

(Signature)

CHURCH OF SCIENTOLOGY INTERNATIONAL V. STEVEN FISHMAN AND UWE GEERTZ

Robert Wiener, Esq.
Bowles & Moxon
6255 Sunset Blve., Suite 2000
Hollywood, California 90028

Jonathan W. Lubell, Esq.
MORRISON, COHEN, SINGER & WEINSTEIN
750 Lexington Avenue
New York, New York 10022

Mr. Steven Fishman
8851 Sunrise Lakes Blvd., #116
Sunrise, Florida 33322-1413

EXHIBIT T

PLAINTIFF'S EXHIBIT
64 64
10/20/94.

DECLARATION OF GERALD ARMSTRONG

I, Gerald Armstrong, declare:

1. I am over 18 years of age and a resident of the State of California. I have personal knowledge of the matters set forth herein and if called upon to testify thereto I competently would.

2. I am making this declaration in response to the Scientology organization's efforts to have part of the Court's file sealed in the case of Church of Scientology International v. Steven Fishman and Uwe Geertz, United States District Court for the Central District of California, Case No. 91-6426-HLH(Bx). It is my request that for the reasons set forth below no papers in that case be sealed.

3. One of the documents the organization seeks to seal is a declaration I executed on February 22, 1994 in response to falsehoods made about me and my experiences with the organization by its leader David Miscavige in his declaration executed February 8 and filed in the Fishman case. At paragraph 14 of my February 22 declaration I stated:

> "I will also take the opportunity to advise this Court that Mr. Miscavige's organization considers that it has me under a contract whereby it may sue me for filing this declaration, not because it is untrue or libelous, but because that is what the organization insists its contract permits. This contract was obtained by Mr. Miscavige as the result of his organization's years of attack on my attorney Michael Flynn, as stated in paragraph 7 subparagraph h. above.

> In order to get the organization to cease its fair game against Mr. Flynn I had to sign its contract, which, according to Mr. Miscavige, allows him and his agents to say whatever they want about me in any court proceeding or in the media and I may not respond. If I do respond I become subject to a $50,000.00 liquidated damages provision for every utterance, and the target in another Miscavige-ordered costly and harassing lawsuit. The three lawsuits, Armstrong II, III and IV described in paragraph 7, subparagraphs o, p and q, and the contempt of court proceedings at subparagraph r, are all pursuant to this contract. The contract is against public policy and illegal."

A copy of the first page of the February 22 declaration, pages 12 and 13 which contain this quoted section, and the signature page are appended hereto as Exhibit A.

4. On April 5, 1994 the organization did indeed amend its complaint in Church of Scientology International v. Gerald Armstrong, et al. Los Angeles Superior Court Case No. BC 052395 (Armstrong II) to add a cause of action for my providing the February 22 declaration to attorneys for defendant Uwe Geertz in order to correct the Miscavige falsehoods, and it did indeed claim $50,000.00 in liquidated damages and additional damages which it states are incalculable. A copy of the face page of the organization's Verified Second Amended Complaint for Damages and for Preliminary and Permanent Injunctive Relief for Breach of Contract, pages 25 and 26 which contain the cause of action relating to my February 22 declaration, the signature page and

the verification page are appended hereto as Exhibit B.

5. On April 15, 1994 I filed a Second Amended Verified Cross-Complaint for Abuse of Process in the case of Church of Scientology International v. Gerald Armstrong, et al. Marin County Superior Court Case No. 157680, which included in paragraph 69 at page 24 the allegation that the organization's claim of damages in Armstrong II for my February 22 declaration response to Miscavige's falsehoods in Fishman was an act in furtherance of its actual litigation motives of obstruction of justice, suppression of evidence, assassination of my reputation, use of the discovery process for gathering intelligence on its enemies, and making an example of me to scare knowledgeable witnesses into silence, which act constituted an abuse of process. A copy of my second amended cross-complaint is appended hereto as Exhibit C.

6. Since the organization has made my February 22 declaration the subject of its litigation in its unsealed Armstrong II case it is inconsistent of the organization to seek to seal the declaration in the Fishman case. Sealing the declaration in one case when the organization will use it in another case wherein the declaration will not be sealed will only generate confusion; which is in fact the organization's purpose in seeking to seal not only my declaration, but all the other documents filed in Fishman as well. Pursuant to its policies to "use the law to harass" the organization will then capitalize on the confusion it has generated to further its attacks on its fancied enemies.

7. The Scientology organization has since 1984 accused me

falsely of violating court sealing orders at least a dozen times, including three attempts to have me found in contempt of court for alleged violations which the organization fabricated. Meanwhile the organization has itself refused to honor the same sealing orders, and has used documents which it had itself had sealed to attack me. Sealing documents at the insistence of this organization only provides it with a mechanism to obstruct justice and use our courts to wage an unjust war on its designated enemies.

8. Appended hereto as Exhibit D is a copy of a declaration I executed March 15, 1990 and filed in the California Court of Appeal in support of a petition to be able to respond in an appeal the organization had taken from an order of the Los Angeles Superior Court unsealing that Court's file in the case of Church of Scientology of California v. Gerald Armstrong, Case No. C 420153 (Armstrong I). At paragraphs 20 through 24 and 26 through 39 I describe a series of affidavits executed by organization personnel Kenneth Long and Sheila Chaleff which were filed in 1987 in the case of Church of Scientology of California v. Russell Miller & Penguin Books Limited in London, England in the High Court of Justice, Case No. 6140. The organization falsely accuses me in its affidavits, copies of which are appended hereto as Exhibit E, of "knowingly violating several court (sealing) orders."

9. I did not respond in the Miller case to the organization's charges of sealing order violations because one of its lawyers, Earle C. Cooley, had threatened through my attorney Michael Flynn that I would be sued if I even talked to Mr.

Miller's or Penguin Books' lawyers (see paragraph 20 at page 9 of my March 15, 1990 declaration, Exhibit D hereto). Following my filing of the March 20, 1990 declaration in which I denied the organization's charges the organization refused to change its claim of sealing order violations. On December 25, 1990 I executed a declaration, which was also filed in the Court of Appeal, detailing the facts underlying the organization's charges in the Long and Chaleff affidavits of sealing order violations and refuting the charges. Paragraph 17 at page 10 of the December 25, 1990 declaration, a copy of which is appended hereto as Exhibit F, described Mr. Long's repetition of his sealing order violation charges in a declaration he executed March 26, 1990, a copy of which is appended hereto as Exhibit G. Paragraph 20 at page 10 of the December 25, 1990 declaration details the truth behind Mr. Long's false charges. Although the facts I give in both the March 15 and December, 25, 1990 declarations have remained unrefuted, the organization refuses to correct its false charges against me in its declarations and affidavits. That is unsurprising, however, because one of its purposes in litigation is to generate as much confusion as possible. In the area of what is or is not sealed or unsealed or has or has not been sealed when in what court where it is particularly easy for confusion to be generated and false charges of violations to be made, and the Scientology organization has taken great advantage of that fact and great advantage of the inclination of the courts of this country to treat the organization with the same respect given to honest parties who lack its determination to subvert justice.

10. In paragraph 25 at page 10 of my March 15, 1990 declaration (exhibit D hereto) I list ten documents which Mr. Long had appended as exhibits to his affidavit of October 5, 1987, all of which had been part of the record in the Armstrong I case which the organization had insisted be sealed as a condition of settlement of the case. The organization, while making false allegations of sealing order violations or even manufacturing "violations" in order to make its charges, simply will not respect any court's sealing order itself if it will gain some advantage by violating such order.

11. Appended hereto as Exhibit H is a copy of a document published and distributed by the organization entitled ""Factnet" - Perversions, Criminality and Lies." On information and belief this document was ordered, written and ordered disseminated by David Miscavige. It is an example of what L. Ron Hubbard, the organization's leader before Miscavige, called "black propaganda" or "black PR," which he defined as "spreading lies by hidden sources," or "a covert attack on the reputation of a person, company or nation using slander and lies in order to weaken or destroy." At page 3 and 4 of this publication is a section devoted to me. It is almost all lies and clearly libelous. It includes the description of a dream I had and was inspired to write down. Organization covert operatives stole my writing and filed it in the Armstrong I case. The dream is insignificant because it was only a dream. What has become significant about it is its misuse and perversion pursuant to the organization's black PR and fair game policies. The writing was specifically sealed in Armstrong I. The Armstrong I trial judge, Honorable

Paul G. Breckenridge, Jr. stated at page 12 of his decision of June 20, 1984, a copy of which is attached hereto as Exhibit I, that the organization's intelligence, legal and public relations arm "was no respector of anyone's civil rights, particularly that of privacy." The same is true in 1994, and for that reason too the organization's efforts to seal the declarations of its "enemies," when it will itself use whatever is sealed to abuse those people should be rejected. The Breckenridge decision was affirmed on appeal on July 29, 1991, Church of Scientology of California v. Armstrong, 232 Cal. App. 3d 1060, 283 Cal. Rptr. 917.

12. On September 11, 1991 the organization filed a motion to seal the record on appeal in Armstrong, supported by a declaration of Kenneth Long executed September 10, 1991 in which he falsely claimed that a lengthy list of documents in the appellate record, plus the trial transcript had been sealed throughout the Armstrong I litigation and should therefore be sealed again to preserve the organization's "property and privacy interests." The organization's motion and the supporting Long declaration are appended hereto as Exhibit J.

13. Appended hereto as Exhibit K is my opposition to the organization's motion to seal the record on appeal and my declaration in support thereof executed October 16, 1991. I point out in the opposition and declaration that the documents and trial transcript the organization was seeking to have sealed in the appellate record were, contrary to the organization's claim, public documents which had been widely disseminated because of the great public interest in them, and that sealing

the record would be senseless. The same is true regarding the documents, in addition to my February 22, 1994 declaration, which the organization seeks to have sealed in Fishman. I myself have received a copy of two full file boxes of these documents, and had already given them to yet another person for copying for himself and others, again because of the great public interest in these materials, long before I learned of the organization's attempt to have them sealed.

14. Appended hereto as Exhibit L is a copy of the California Court of Appeal's denial of the organization's motion to seal the record dated December 5, 1991.

15. Appended hereto as Exhibit M is page 15 of the organization's second amended complaint in Armstrong II (see also Exhibit B hereto). At paragraph 61 the organization alleges that I have violated its "settlement agreement" by failing to return two documents. This is untrue. Both of these documents I obtained years after the 1986 settlement, and both are public documents. One of the documents the organization publishes to this day in its books. This allegation is significant, however, because it shows the sort of liberties the organization will take with the truth to be able to allege any sort of "violation" by its "enemies."

16. Appended hereto as Exhibit N is page 17 of the organization's second amended complaint in Armstrong II (see also Exhibit B hereto). At paragraph 72 the organization alleges that I have violated a sealing order in Armstrong I by authenticating a portion of a transcript. This is untrue. There never was such a sealing order. The transcript was disseminated to countless

people around the world, and is widely available. Again it shows the abuse this organization make of any sealing order, real or not, and the confusion it will generate with its allegations of violations.

17. Judge Breckenridge declared in 1984:

> "In addition to violating and abusing its own members civil rights, the organization over the years with its "Fair Game" doctrine has harassed and abused those persons not in the [organization] whom it perceives as enemies. The organization clearly is schizophrenic and paranoid, and this bizarre combination seems to be a reflection of its founder LRH. The evidence portrays a man who has been virtually a pathological liar when it comes to his history, background and achievements." (Exhibit I hereto)

The organization desperately seeks to rewrite its dark history, just as Hubbard sought to rewrite his. It uses its schizophrenia to deliberately forget the facts and truth so that it can continue to madly attack its imagined enemies. It compartmentalizes its monolithic organizational-self in its group mind to support its schizophrenia. It has its various entities and mouthpieces appear in court as it suits its purposes to make its mad allegations and give plausibility to its denials of its victims' allegations. Our courts should not support the organization's efforts to rewrite history, but should act to restrain its autogenetic madness.

18. At page 23 of my opposition to the organization's

motion to seal the record on appeal in Armstrong I (Exhibit K hereto) I stated that:

> "This Court has a golden opportunity in this matter to send the message to (the organization) to cause them to abandon their hope of enlisting the assistance of the judiciary to hide their past and confuse the truth, and to place their hope for a peaceful future in openness, not secrecy."

The same is true today in whatever the Courts do in the Fishman case. But add too the protection of those people who have the courage to come forward, stand up to this organization and say some of what they know. Do not leave them even more exposed to the organization's malevolence than they are already by sealing their words.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at San Anselmo, California, on April 21, 1994.

GERALD ARMSTRONG

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation,

PLAINTIFF,

vs.

GERALD ARMSTRONG; THE GERALD ARMSTRONG CORPORATION; DOES 1 - 25, Inclusive,

DEFENDANTS.

CERTIFIED COPY

Case No. BC052395

Deposition of SYLVIA PINON TAYLOR,

taken on Wednesday, October 5, 1994, at 10:30 A.M.

Location: 6255 Sunset Boulevard, Suite 2000
Hollywood, California

Reporter: Beverly Newman, CSR, RPR
Certificate No. 2872

DAVIS MURRAY SHORTHAND REPORTING CORPORATION
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(800) HOT-DEPO

A I don't recall. I just know that we continued it because we hadn't finished the story.

MR. HERTZBERG: All right. Off the record for a moment, please. The witness wants water.

(Off the record.)

BY MR. HERTZBERG:

Q You're all right to continue?

A Yeah.

Q Do you recall when the taping on the first day halted whether Mr. Armstrong made any remarks off camera about the video taping?

A I don't remember.

Q You don't remember Mr. Armstrong saying anything --

A No.

Q -- between the time -- go ahead.

A I know we broke. I don't know why we broke. I presume to get back to the conference.

Q When you went back to the conference after you broke off the first day of taping, were you with Mr. Armstrong?

A I don't remember.

Q After you broke from the first day of taping, do you recall discussing the fact that you had taped the first segments of an interview with Mr. Armstrong with anyone?

A No.

Q Do you recall Mr. Whitfield discussing the taping of the interview, between the first segment and the second session?

A I don't know that we were together. Like when we split up and left the room, I don't know that we were together.

Q Did you outline the questions before you asked them of Mr. Armstrong?

A No.

Q This was just spontaneous?

A Yeah.

Q Do you recall having discussion with Hana Whitfield about the taping of Mr. Armstrong between the first segment and the second segment?

A Uh-uh. No. Sorry.

Q Do you recall the circumstances under which the taping resumed?

A Okay. Let me think.

No, I don't.

Q Was that your room in which the tape was made?

A I stayed in that room, yes.

MR. MORANTZ: I'm going to leave the room for a few minutes, but you guys can proceed.

MS. PLEVIN: Okay.

(Mr. Morantz left the deposition room.)

BY MR. HERTZBERG:

Q You have no recollection of how you and Mr. Armstrong and Mr. Whitfield came back together again?

A I'm sure that we saw each other, and perhaps Mr. Whitfield. See, I can't be specific, and I can't tell you for sure. But --

MS. PLEVIN: Don't guess if you don't know.

THE WITNESS: Okay.

BY MR. HERTZBERG:

Q Do you have any fragment of a recollection as to how that happened?

A Just that we were going upstairs to finish the tape, to finish the interview.

Q The interview.

A Yeah.

Q Do you recall you yourself speaking to anybody about the fact that you were making a tape of Mr. Armstrong?

A No, I don't remember speaking to anyone about it.

Q In any event, at some point in time on a subsequent day, you and Mr. Whitfield and Mr. Armstrong gathered again in your room.

A Yes.

Q Do you recall any discussion before the camera was switched on again?

A I don't remember what was discussed, sir.

Q This was less than two years ago.

A I know. I know. I realize that. It wasn't terribly important to me at the time, so I didn't make any big memory about it. I mean, I know we went back in to do the tape.

Q I see. All right. Was the tape stopped at any point during the second segment of the interview?

A I think so.

Q For what reason?

A I think someone came to the door. I think at some point Mr. Whitfield ran out of tape. I don't know if that was the first time or the second time, so it may have stopped then.

Q All right. Other than that, do you recall the tape being stopped for any purpose?

A I don't remember, sir. I'm sorry.

Q During any portion of the second day, either before you resumed the interview, during the interview, or after the interview, did Mr. Armstrong say to you there was any area or subject that he could not discuss?

A Yes.

Q He did. And what did he say to you?